

NLWJC - KAGAN

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Kagan - Public Record I [4]

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OA/ID Number: 14688

FolderID:

Folder Title:

Kagan - Public Record I [4]

Stack:

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Copyright 1991 American Lawyer Newspapers Group Inc.
Legal Times

February 25, 1991

SECTION: Pg. 12

LENGTH: 1324 words

HEADLINE: Rap Group's Appeal;
Show-Biz Forces Rally for 2 Live Crew

BYLINE: BY JANICE HELLER

BODY:

2 Live Crew's fight to remain as nasty as they want to be has moved to a new battleground, and interest groups are banding together to protect the group's right to rap sexually explicit lyrics.

The case, which gained national notoriety last year when U.S. District Judge Jose Gonzalez Jr. of the Southern District of Florida ruled 2 Live Crew's album "As Nasty As They Wanna Be" obscene, is now before the Atlanta-based 11th Circuit Court of Appeals in a test of the first obscenity ruling involving popular music.

If upheld, the ruling will have a chilling effect on the entire music business, say lawyers for the recording industry. And lawyers outside the industry are worried about the implications for censorship of television programs and literature.

The distributor for the album has petitioned the 11th Circuit to overturn the ruling. Oral arguments will be heard next month. No date has been set.

So far, lawyers from the Recording Industry Association of America, the National Association of Recording Merchandisers, Home Box Office Inc., and the American Civil Liberties Union Foundation of Florida have filed amicus briefs seeking a reversal.

All argue that Gonzalez's ruling is an infringement on the rap group's First Amendment right to free speech. No amicus briefs have been filed in support of the judge's decision.

The case marks the first time the recording industry has joined with the ACLU and HBO to fight an obscenity ruling, says David Leibowitz, senior vice president and general counsel for the D.C.-based Recording Industry Association of America. (The association is also represented by Williams & Connolly partners Kevin Baine and Victoria Radd and associate Elena Kagan.)

"This case is of critical importance to the recording industry. . . . The chilling effect it could have on the creativity of musicians can be very significant in the future," Leibowitz maintains.

Says HBO attorney Daniel Waggoner, a partner with Davis Wright Tremaine in Seattle: "People who don't protect people on the fringe might be next. If there are bad laws that are established, ultimately they are applied to other

fin

add

1991 Legal Times, February 25, 1991

companies and creators."

HBO is interested in the case because it does not air "plain vanilla" programming, HBO's amicus brief states. Movies and concerts on HBO occasionally include sexually explicit language, nudity, and profanity.

The ACLU, meanwhile, feels so strongly about the issues raised in the case that it has petitioned the court to allow it to participate in oral arguments, says the ACLU's lead counsel, Steve Reich, an associate at D.C.'s Covington & Burling.

"Artists who express a minority point of view are going to have to worry about being prosecuted by society," Reich says. "We've now arrived at a time where if we don't like what someone's saying, it's OK to stop them from saying it."

Double Standard

Gonzalez's ruling is particularly worrisome because it flies in the face of a recent trend among courts to shy away from obscenity rulings for books, says Charles Ruttenberg, a partner at D.C.'s Arent, Fox, Kintner, Plotkin & Kahn who represents the National Association of Recording Merchandisers.

Ruttenberg cites books once pronounced obscene that are now mainstream and readily available: Theodore Dreiser's *American Tragedy*, declared obscene by a Massachusetts state court in 1930; D. H. Lawrence's *Lady Chatterly's Lover*, ruled obscene by a New York state court in 1944; and Henry Miller's *Tropic of Cancer* and *Tropic of Capricorn*, found obscene by a federal court in California in 1951 and affirmed by an appellate court in 1953.

Lyrics by 2 Live Crew are not nearly as explicit as language in some books sold today, Ruttenberg contends.

"What you're getting is a different standard for music and lyrics than for the words alone. . . . Somehow, if you put words to music, there's a greater chance of obscenity than if you put words in a book," Ruttenberg says. "I guess they're assuming people don't read."

The 2 Live Crew obscenity case began in Fort Lauderdale last March, when Broward County Circuit Judge Mel Grossman found probable cause to believe that "As Nasty As They Wanna Be" was obscene under Florida law.

The Broward County sheriff, Nick Navarro, told his deputies to inform owners of record stores of the obscenity ruling and warn them that further sales of the album would result in arrest.

Charles Freeman, a Fort Lauderdale record-store owner who defied the warnings, was convicted last year of selling obscene material. His case is on appeal.

The record's distributor, Skywalker Records Inc. (now Luke Records Inc.), sued Navarro in federal court, seeking a ruling from Judge Gonzalez agreed with Grossman, finding the album's songs, including "Me So Horny," to be unfit for any audience.

1991 Legal Times, February 25, 1991

"Based on the graphic deluge of sexual lyrics about nudity and sexual conduct, this court has no difficulty in finding that 'As Nasty As They Wanna Be' appeals to a shameful and morbid interest in sex. . . . The evident goal of this particular recording is to reproduce the sexual act through musical lyrics," Gonzalez wrote in his June opinion. "It is an appeal directed to 'dirty' thoughts and the loins, not to the intellect and the mind."

The lyrics, Judge Gonzalez found, were "replete with references to female and male genitalia, human sexual excretion, oral/anal contact, fellatio, group sex, specific sexual positions, sadomasochism, the turgid state of the male sexual organ, masturbation, cunnilingus, sexual intercourse, and the sounds of moaning.

After Gonzalez's ruling, 2 Live Crew leader Luther Campbell and member Christopher Wongwon were arrested on misdemeanor obscenity charges after they performed the music at a Hollywood, Fla., concert. A warrant was later served on member Mark Ross. All three were eventually acquitted; the Broward jurors said they found political and artistic value in the music.

"'As Nasty As They Wanna Be' may not win artistic acceptance in judicial minds, but the relevant inquiry extends beyond the courthouse, into the community of differing views which may be held by any reasonable person," the rap group's attorney, Bruce Rogow, said in his brief appealing Gonzalez's obscenity ruling.

Rogow, a First Amendment attorney and professor at Nova University's Shepard Broad Law Center, noted that the group has nearly two million fans. "As Nasty As They Wanna Be" sold 1.7 million copies. The "clean" version of the same record sold 250,000 copies.

"The main issue is the serious artistic value in the work taken as a whole," Rogow says. "In a case like this, that means you just can't just listen to the words. You have to also consider the music."

Sheriff Navarro's attorney, John Jolly Jr., declines to be interviewed. Jolly, an associate with Fort Lauderdale's Shailer, Purdy & Jolly, stated in his brief to the appellate court that Gonzalez was correct in his finding of obscenity.

"It is obvious that such graphic depictions of sexual conduct do nothing to advance any serious artistic merit," his brief said.

But the ACLU and their allies contend that Gonzalez erred in his interpretation finding the music to be pornography not protected by the First Amendment.

"The band's use of the language of the inner-city streets does not make the album unartistic, unliterary, or lacking in serious value," the ACLU's brief states.

"Like Walker Evan's photographs of rural Southern life, Robert Frost's homely poetry, or Andy Warhol's renderings of Campbell's Soup cans, the 2 Live Crew's work makes art out of the stuff of everyday life."

Editor's Note: Home Box Office Inc., which has written an amicus brief in support of 2 Live Crew, is owned by Time Warner Inc. American Lawyer Media,

1991 Legal Times, February 25, 1991

L.P., an affiliate of Time Warner Inc., publishes Legal Times. This article was distributed by the Am-Law News Service.

GRAPHIC: Photograph, 2 Live Crew, led by Luther Campbell, awaits the outcome of an appeal of an obscenity ruling against its album "As Nasty As They Wanna Be."
WIDE WORLD PHOTOS; Picture, Recording industry lawyer David Leibowitz: Rap case may have "chilling effect." PHILIPPE JENNEY

LANGUAGE: ENGLISH

LEVEL 1 - 74 OF 133 STORIES

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NOVEMBER 10, 1997, MONDAY

LENGTH: 228 words

HEADLINE: clinton convenes conference on hate crimes

DATELINE: washington, november 10; ITEM NO: 1110250

BODY:

faced with increased hate crimes in the country, u.s. president bill clinton is gathering law enforcement officials and others to consider how to deal with the problem. the conference, involving about 350 people, is an offshoot of the president's race relations initiative. besides law enforcement, the participants in today's white house conference were to include civil rights activists, educators, religious leaders and victims of hate crimes. according to justice department statistics, 8,759 hate crimes were reported in 1996, compared with 7,947 reported in the previous year. white house officials said they are not sure whether the increase indicates that hate crimes are up or that they are reported better. race was a factor in 63 percent of all reported hate crimes, followed by religion, 13.9 percent; sexual orientation, 12 percent; and ethnic origin, 11 percent. the efforts clinton was expected to announce today are designed to ensure that current laws are working and are leading to arrests, said elena kagan, deputy assistant to the president for domestic policy. she said hate crimes "tend to be serious and often violent." in an interview on nbc's "meet the press" aired sunday, clinton said, "the real problem in america is still continuing discrimination and fear and downright misunderstanding."

LANGUAGE: ENGLISH

LOAD-DATE: November 11, 1997

FDCH Political Transcripts, November 7, 1997

report crimes to the Justice Department in order to get advocate figures voluntarily. Not all communities do that.

There has been a steady increase each year in the number of communities that participate in this reporting system. But, we're not yet at 100 percent. So, the statistics that I will give you are almost surely under what is truly happening out there. And it's also very difficult from these statistics to actually figure out what the trends are.

Whether there are more hate crimes each year, or whether they're staying the same or whether there are even fewer. The statistics, as you'll see, go up, but it's hard to know whether that's because incidents are increasing or because the reporting is getting better.

*** Elapsed Time 00:05, Eastern Time 13:15 ***

But, the total number of hate crimes in 1996, hate crime incidents reported -- were 8,759. In 1995 it was 7,947. So there is an increase, but again, it's hard to know whether that's increase in the actual incidents or just better reporting.

In terms of what kinds of crimes these are, the 1996 figures show that racial bias accounts for over 60 percent of the reported hate crimes. Precisely, 63.13. Religious bias accounts for 13.9 percent. Ethnicity, which is often crimes against people of Hispanic origin, count for 11 percent. And sexual orientation counts for about 12 percent of those crimes.

*** Elapsed Time 00:06, Eastern Time 13:16 ***

That's a little bit about the statistics.

ECHAVESTE: Questions?

QUESTION: Do you anticipate increased penalties for hate crimes as a result of these conferences recommended by the Attorney General?

KAGAN: I'm sorry?

QUESTION: (OFF-MIKE) increased criminal penalties for a hate crime?

KAGAN: Well, we're going to have more to say about the announcements that we're going to make on Monday and I don't want to say now what the President is going to call for.

KAGAN: But the President is going to talk about law enforcement efforts, making sure that the laws we have on the book appropriately protect all our citizens. And then, making sure that those laws are enforced so we're actually bringing the perpetrators of these crimes to justice. So, I guess that's all I want to say about that now.

FDCH Political Transcripts, November 7, 1997

KAGAN: I think it's 30 percent of victims of hate crimes require hospitalization and only seven percent of non-hate crimes require hospitalization. So, these crimes do tend to be serious and often violent.

*** Elapsed Time 00:12, Eastern Time 13:22 ***

QUESTION: Will there be any focus at the conference on the increasing number of hate sites on the Internet?

(UNKNOWN): In the last breakup group on the --

ECHAVESTE: Yes. And, I'm sorry, thank you for reminding me. There is -- one of the other workshops is combating organized hate. That is, a workshop will be focused around groups what organized around hate. And in that context we should be discussing those things.

QUESTION: Maria, why is this a federal issue, since criminal justice is basically state and local issue.

ECHAVESTE: Well, we do have federal hate crimes laws. So, there is federal law in this area. There's federal criminal law in this area. April?

QUESTION: Maria, pretty much the rape advisory board is trying to target more so (OFF-MIKE) as far as dealing with the racial issue. Are you going to one day deal with more so youth oriented issues with them targeting these as well?

*** Elapsed Time 00:13, Eastern Time 13:23 ***

ECHAVESTE: Well, one of the participants on the President's panel is a sophomore in high school, a Filipino student who is part of an effort of the ADL's Children of Dreams Program, and who's working on peer training to mediate tensions between groups. So, there are young people involved in Monday's conference. Yes.

QUESTION: Do the statistics reflect the strength of organized hate groups, are groups like the Alan and neo Nazi groups on the increase. Do these numbers show anything in that regard.

KAGAN: The aggregate numbers that we have are not broken down like that, so its hard to say how much of them are crimes of organized hate groups and how much are the crimes of often as one person said, teenagers acting sort of in -- alone or in gangs of some kind.

*** Elapsed Time 00:14, Eastern Time 13:24 ***

So, the statistics just don't give any indication of that.

FDCH Political Transcripts, November 7, 1997

QUESTION: (OFF-MIKE) do you know? Do some of the experts that you've consulted ahead of this conference tell you anything about the presence, the strength or the presence of hate groups in this Country?

KAGAN: There is obviously still too much activity by hate groups and too many crimes committed by them. Klanwatch documented 51 cases of cross burnings in the United States in 1996. That's maybe one indication of the kind of crimes committed by a particular hate group.

But, this is one of the things that's going to be talked about in one of these break out sessions, is, how prevalent these organized groups are, what kind of crimes are they committing, and what we ought to do to respond to their activity.

*** Elapsed Time 00:15, Eastern Time 13:25 ***

QUESTION: What were the names of the workshops so that we know.

ECHAVESTE: Its in the press advisory.

(UNKNOWN): It will be available right after the briefing.

QUESTION: Would the Oklahoma City bombing qualify as a hate crime under your definition?

ECHAVESTE: Uh, no. Although, it sort of represents how difficult it is to take on this issue. But, because -- that's domestic terrorism. It is focused on issue, if you will, not against particular individuals, the characteristic of the individual as we saw, in terms of the people who got hurt, it crossed the lines of people who got hurt.

It's the same way that clinic violence would not, although some groups have asked that it be considered a hate crime. It would not meet the strict definition.

QUESTION: Are hate crimes committed on college campuses?

*** Elapsed Time 00:16, Eastern Time 13:26 ***

ECHAVESTE: No, no. In fact, one of the workshops will be about the need for data, and I think, out of that we might find some suggestions in terms, what kind of data needs to be collected in order to be able -- like with any problem you need the facts in order to devise strategies for combating and resolving those kinds of problems. So, I think we might get some good suggestions.

QUESTION: In talking about the definition. I'm still unclear. There's 8,759 (OFF-MIKE) committed last year. Are they hate crimes as defined by the responsible -- particular law enforcement agency? They felt was the --

KAGAN: That's right. And often it depends on their own law and the definition of hate crimes in their own law. And that does vary from

FDCH Political Transcripts, November 7, 1997

jurisdiction to jurisdiction.

But, for the most part, state laws look at the same thing, which is, why the attack or the other kind of crime was motivated by some kind of bias or animus against a characteristic of the victim.

*** Elapsed Time 00:17, Eastern Time 13:27 ***

Whether that's sexual orientation or race or gender or what have you.

QUESTION: What can we expect to see Monday. Are we going to see something like we saw with some of the race advisory board meetings or just have pretty much experts just talking or do you have interactive with (OFF-MIKE)?

ECHAVESTE: As I've described, we have over 350 people. There will be a plenary session in which the President addresses them and then the President moderates the panel of seven people that will be discussing the issue of hate crimes. Then they do brake-out sessions, and they'll be broken into 50 people per brake out. And then, they'll be brought back together again. So, there'll be interaction among folks and in those discussion groups. So,

*** Elapsed Time 00:18, Eastern Time 13:28 ***

Any other question? Great.

END

NOTES:

???? - Indicates Speaker Unknown
- Could not make out what was being said.
off mike - Indicates Could not make out what was being said.

LANGUAGE: ENGLISH

LOAD-DATE: November 8, 1997

LEVEL 1 - 82 OF 133 STORIES

Copyright 1997 The Durham Herald Co.
The Herald-Sun (Durham, N.C.)

August 12, 1997, Tuesday

SECTION: Front; Pg. A1;

LENGTH: 726 words

HEADLINE: Clinton to pitch companies to hire from welfare rolls

BYLINE: JODI ENDA Knight-Ridder

BODY:

WASHINGTON -- Working against a history littered with failure, President Clinton is campaigning to erase the stigma of the "welfare queen" and goad businesses to hire workers off the public-assistance rolls.

Experience would indicate he's tilting at windmills. In years past, many private companies have been reluctant to pull people from the bottom rungs of the economic ladder.

But the president knows that if he bows to history, welfare reform -- one of the hallmarks of his administration -- will flop.

So today in St. Louis, nearly one year after he signed a law intended to "end welfare as we know it," Clinton will attempt to change the national image of welfare recipients, to encourage employers to view them not as public burdens, but as untapped resources.

With the help of new radio and newspaper public-service announcements, he will try to debunk the notion of the lazy "queen" who chooses to live on the dole, replacing her with someone temporarily down on her luck, but eager and able to work.

"This is an emerging new workforce," said Eli Segal, president of the Welfare to Work Partnership, a private organization created by businesses to help move welfare recipients into jobs. The group is sponsoring the new public-service ads. Removing the stigma of welfare, Segal hopes, "will have the effect of actually changing the entry-level hiring practices of many companies in the United States."

That hasn't happened in the past. Despite a number of reform efforts, despite job-training programs and tax incentives for employers, companies never signed on to a full-scale effort to put welfare recipients to work.

But even skeptics of the welfare-to-work effort and opponents of the new law say the time for progress is now.

"There are a couple of things that are different this time. One is that the economy is so good," said Demetra Smith Nightingale, director of the Welfare and Training Research Program at the Urban Institute, a Washington think tank. "The other thing that is different is that the president has taken it upon himself to use the bully pulpit to call the country forward to help on this. That political leadership, I think, is important because it's being combined with business

The Herald-Sun (Durham, N.C.), August 12, 1997

leadership. The priority is clear."

So is the need to work, said Elena Kagan, deputy assistant to the president for domestic policy. Unlike efforts of the past three decades, she said the new law offers a "carrot and a stick" -- opportunities for recipients to find and learn new jobs combined with a very real threat that benefits will be cut off if they don't.

Furthermore, unemployment is so low in some parts of the country that employers have nowhere else to turn but the welfare rolls, experts said.

"Firms are having trouble finding the kind of employees that they really want, so they are willing to hire people that they otherwise would not," said Harry Holzer, an economics professor at Michigan State University. But, he added, "Nobody expects that to last very long."

The St. Louis event will be the first of several challenges to individual cities and regions to link their businesses with their job-training facilities, child-care centers and transportation systems to help welfare recipients find, get to and keep jobs, Segal said. About 500 businesses nationwide have pledged to participate since his nonprofit group organized in May, he said, though they have not specified how many welfare recipients they will hire.

First in St. Louis and then across the country, a computer database will be created so that companies that want to hire welfare recipients can locate assistance in the form of training programs, day-care facilities or mentors -- other businesses that have transcended the problems that often come with inexperienced workers.

Still, few expect the effort to be a panacea.

"Even if business leaders say, 'Yes, we're going to do this,' when it gets down to the nitty gritty, whether they actually will do it is debatable," said Kent Weaver of the Brookings Institution, another Washington think tank.

The Clinton administration is looking to the private sector to hire 2 million welfare recipients by 2000, enough to move more than half the nearly 4 million adults on welfare this spring. So far, companies pledging to participate represent only a drop in the bucket.

LOAD-DATE: August 12, 1997

LEVEL 1 - 85 OF 133 STORIES

Copyright 1997 The Austin American-Statesman
Austin American-Statesman

July 28, 1997

SECTION: News; Pg. A2

LENGTH: 451 words

HEADLINE: Clinton tells states to put welfare to work for poor

BYLINE: JODI ENDA

BODY:

WASHINGTON -- President Clinton will challenge the nation's governors today to plow what for many states is a windfall in federal welfare money back into programs for the poor.

States have profited handsomely from the booming economy, which has slashed their welfare rolls but not their share of federal welfare payments.

Because the case loads have dropped so dramatically, the states are basically getting more money per person on the rolls than they ever expected or than they ever had," said Elena Kagan, Clinton's deputy domestic policy assistant. The question is, how does the state use that money? Does it put it back into the system and help more people get jobs? Or do they say, Oh, look, this is a surplus. We'll build roads with it?"

Clinton doesn't want states to waste money intended to help welfare recipients, a concern heightened by the likelihood that the economy eventually will tighten and jobs will dry up.

Texas is not making the right choices," one administration official said, by way of illustration. Texas has reaped a \$363 million surplus based on declining welfare rolls, but it has used just \$126 million of that on services for welfare recipients, according to the Center for Public Policy Priorities, a private research institute in Austin. The rest of the money was used to fill gaps in other parts of the state budget, the center said.

In today's speech to the National Governors' Association meeting in Las Vegas, Clinton will urge states to spend new-found money on programs such as child care and transportation that enable welfare recipients to find and maintain jobs, Kagan said.

Although the administration and a number of welfare experts agree it is too soon to judge the ultimate success or failure of the year-old law, Clinton will tell governors that we have every reason to think that welfare reform is working," Kagan said.

It is difficult, however, to quantify.

You can measure the numbers on the welfare rolls -- that's decreasing," said Anna Kondratas of the Urban Institute, a nonprofit research organization that is monitoring the effects of welfare reform. On the other hand, if you're looking at outcomes and the effects on people, there's no way of telling right

Austin American-Statesman, July 28, 1997

now. ' '

Since Clinton took office in January 1993, about 3 million people have dropped off the welfare rolls, a decline of more than 20 percent, from more than 14 million people to fewer than 11 million, according to federal figures. More than a third of those left the welfare system in the past year, and those remaining represent the lowest percentage of the population on welfare since 1970.

LOAD-DATE: July 29, 1997

LEVEL 1 - 86 OF 133 STORIES

Copyright 1997 Bulletin Broadfaxing Network, Inc.
The Bulletin's Frontrunner

July 28, 1997, Monday

SECTION: WASHINGTON NEWS

LENGTH: 147 words

HEADLINE: Clinton To Discuss Welfare Reform With Governors.

BODY:

Newspapers and Wires.

The Philadelphia Inquirer (7/28, A2, Enda) reported President Clinton will address the nation's governors today, with a "challenge...to plow what, for many states, is a windfall in Federal welfare money back into programs for the poor." At a convention of the National Governors Association, Clinton "will urge states to spend newfound money on programs such as child care and transportation, that enable welfare recipients to find and keep jobs," according to presidential adviser Elena Kagan. Clinton "also plans to push the governors to step up the collection of child-support payments," and "encourage states to subsidize employers that hire long-term welfare recipients."

LANGUAGE: ENGLISH

LOAD-DATE: July 28, 1997

LEVEL 1 - 87 OF 133 STORIES

Copyright 1997 Star-Telegram Newspaper, Inc.
THE FORT WORTH STAR-TELEGRAM

July 28, 1997, Monday FINAL AM EDITION

SECTION: NEWS; Pg. 1

LENGTH: 669 words

HEADLINE: President targets welfare windfalls;
Texas, other states urged to direct extra money to programs for poor

BYLINE: JODI ENDA, Knight-Ridder News Service

BODY:

WASHINGTON - President Clinton will challenge the nation's governors today to plow what for many states is a windfall in federal welfare money back into programs for the poor.

States like Texas have profited handsomely from the booming economy, which has slashed their welfare rolls but not their share of federal welfare payments. And Clinton, eager to declare his welfare program a success, wants to ensure that governors use the unexpected gains to help put poor people to work, not to fulfill personal wish lists.

"Because the caseloads have dropped so dramatically, the states are basically getting more money per person on the rolls than they ever expected or than they ever had," said Elena Kagan, deputy assistant to the president for domestic policy.

"The question is, How does the state use that money? Does it put it back into the system and help more people get jobs? Or do they say, 'Oh, look, this is a surplus. We'll build roads with it'?"

In a speech to the National Governors' Association meeting in Las Vegas, Clinton will urge states to spend newfound money on programs such as child care and transportation that enable welfare recipients to find and maintain jobs, Kagan said.

Clinton also plans to push the governors to step up the collection of child-support payments, a problem that many states have failed to address effectively even though stricter enforcement would make welfare unnecessary for many single parents.

Clinton is also expected to encourage states to subsidize employers that hire long-term welfare recipients, Kagan said.

Thirty-four states hand over workers' welfare checks to their employers, who use the money to pay part of their wages, according to the American Public Welfare Association, which represents state human service agencies.

What Clinton does not want is for states to fritter away money intended to help welfare recipients, a concern heightened by the

THE FORT WORTH STAR-TELEGRAM July 28, 1997, Monday

likelihood that, eventually, the economy will tighten and job opportunities will dry up.

"Texas is not making the right choices," one administration official said by way of illustration. Texas has reaped a \$ 363 million surplus based on declining welfare rolls, but it has used just \$ 126 million of that on services for welfare recipients, according to the Center for Public Policy Priorities, a private research institute in Austin. The rest of the money was used to fill gaps in other parts of the budget, the center reported.

Although the administration and a number of welfare experts agree that it is too soon to judge the success or failure of the year-old law, Clinton will tell governors that "we have every reason to think that welfare reform is working," Kagan said.

"It's much too early to generalize, but we don't have any indications that states are not trying to do their very best," said Anna Kondratas of the Urban Institute, a nonprofit research organization that is monitoring the effects of welfare changes. "Most states are moving toward what the law requires, namely, getting as many people to work as possible," she said.

It is difficult, however, to quantify.

"You can measure the numbers on the welfare rolls; that's decreasing," Kondratas said. "On the other hand, if you're looking at outcomes and the effects on people, there's no way of telling right now. "

Since Clinton took office in January 1993, about 3 million people have dropped off the welfare rolls for a decline of more than 20 percent, from more than 14 million people to fewer than 11 million, according to federal figures. More than one-third of those left the welfare system in the past year, and those remaining represent the lowest percentage of the population on welfare since 1970.

But no one knows why they left, how many found jobs, how many didn't like new work rules, how many got married or how many ran into state-imposed deadlines. The president's Council of Economic Advisers, in a May 9 report, attributed 44 percent of the drop to the strong economy, which created millions of jobs.

LANGUAGE: ENGLISH

LOAD-DATE: August 28, 1997

Copyright 1997 DR Partners d/b/a Las Vegas Review-Journal
Las Vegas Review-Journal (Las Vegas, NV)

July 28, 1997 Monday, FINAL EDITION

SECTION: A; Pg. 3A

LENGTH: 495 words

HEADLINE: Clinton's LV speech to focus on welfare

BYLINE: Jane Ann Morrison

BODY:

By Jane Ann Morrison
Review-Journal

President Clinton's visit today to speak at the National Governors' Association meeting in Las Vegas may cause traffic tie-ups as his motorcade moves around town from the airport to various locations.

And it may be hard to avoid crossing paths with the presidential motorcade, because officials are not disclosing all of Clinton's Las Vegas stops.

Clinton's speech at The Mirage is set for 10:30 a.m., and afterward he is expected to attend a luncheon at a private Las Vegas home. The location is not being disclosed for security reasons.

The approximately 100 guests will be supporters or backers of U.S. Sen. Harry Reid, D-Nev., but the event itself is not a fund-raiser.

The White House is not disclosing what other stops he may make or even what time he is expected to depart Las Vegas for Washington aboard Air Force One.

Monday's visit marks Clinton's second visit to Nevada in three days. On Saturday he took part in a forum at Lake Tahoe, promising \$ 50 million in federal aid over the next two years to help preserve the lake.

Clinton's speech to the governors is expected to be a challenge to plow federal welfare money back into programs for the poor.

Last year, an election year, Clinton spoke to the governors meeting in Puerto Rico via satellite rather than in person when the subject also was welfare reform. He told the governors he would issue an executive order permitting the cutoff of welfare recipients after two years if Congress failed to pass a welfare reform bill.

The bill passed, so he didn't have to follow through on his pledge.

But on Monday, Clinton is expected to say that money from federal welfare reform needs to be reinvested in programs for the poor.

States have profited handsomely from the booming economy, which has slashed their welfare rolls but not their share of federal welfare payments. And Clinton, eager to brand welfare reform a success, wants to ensure that

Las Vegas Review-Journal (Las Vegas, NV) July 28, 1997 Monday,

governors use the unexpected gains to help put poor people to work, not to fulfill personal wish lists.

"Because the caseloads have dropped so dramatically, the states are basically getting more money per person on the rolls than they ever expected or than they ever had," said Elena Kagan, deputy assistant to the president for domestic policy.

"The question is, how does the state use that money? Does it put it back into the system and help more people get jobs? Or do they say, 'Oh, look, this is a surplus. We'll build roads with it?'"

Clinton will urge states to spend newfound money on programs such as child care and transportation that enable welfare recipients to find and maintain jobs, Kagan said.

Clinton plans to push the governors to step up the collection of child-support payments, a problem many states have failed to effectively address even though stricter enforcement would make welfare unnecessary for many single parents.

Knight-Ridder Newspapers contributed to this report.

LANGUAGE: ENGLISH

LOAD-DATE: July 29, 1997

LEVEL 1 - 93 OF 133 STORIES

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June 27, 1997 15:58 Eastern Time

SECTION: NATIONAL DESK

LENGTH: 2890 words

HEADLINE: Transcript of Press Briefing by Donna Shalala and Bruce Reed (1/2)

CONTACT: White House Press Office, 202-456-2100

DATELINE: WASHINGTON, June 27

BODY:

Following is a transcript of a White House press briefing held today by Secretary of Health and Human Services Donna E. Shalala and Domestic Policy Adviser Bruce Reed (Part 1 of 2):

1:15 P.M. EDT

MR. REED: Good afternoon, I'm Bruce Reed, Assistant to the President for Domestic Policy, and I'm going to talk just for a minute about this process. I think you have a piece of paper in front of you that basically describes everything I'm about to say.

Q We don't.

MR. REED: You don't? I want to make sure you get that piece of paper, so you don't actually have to listen to what we say. It's coming, I promise.

We'll go over some of the high points.

Okay, basically the President has asked Secretary Shalala and me to lead an interagency review of the proposed tobacco settlement. And this is going to be a thorough public health review that will involve a number of agencies and departments here within the White House. I think there are about 10 agencies involved and several White House offices. We have a great deal of expertise --

Q Pardon me, sir, but is this the beginning of a new health act -- national health act, or what?

MR. REED: No, this is --

Q Is this the beginning of a new national health program?

MR. REED: No, we're simply going to spend the next month reviewing the proposed tobacco settlement that was reached between the Attorneys General and the tobacco industry last week.

There will be about -- a little over 50 senior people from around the government involved and the review is going to focus on four basic areas of the proposal. First, there will be a panel looking at regulatory issues. This is an area that the President just talked about at the bill-signing event. It will look principally at the FDA's authority to regulate nicotine as well as access, advertising, and labeling. It will also look at another element of the settlement, which is a proposal to limit environmental tobacco smoke in the workplace. And the regulatory team is convened by Elena Kagan, who is my deputy here at the White House. It involves people from HHS, Justice Department,

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FDA, and consists in large part of the lawyers and public health experts who put together the FDA rule in the first place which the President proposed in August of last year.

The second team will focus on the program and budget issues, the proposed uses of the settlement funds, including programs to reduce smoking and to provide children's health insurance. This team is made up of our top health policy experts. The meetings will be convened by Chris Jennings from here at the White House, who many of you know. It also includes Nancy-Ann Min from OMB, Bruce Vladeck from HHS, and several other top people from HHS.

A third group will be the legal team focusing on legal issues. This one also will be convened by Elena Kagan, and it will focus on the provisions on liability and damages and document disclosure, as well as other broader constitutional and legal questions about the proposal. And many members of this team are the same lawyers who helped build the legal case that secured the historic court victory in Greensboro on the FDA authority.

And then a fourth team will look at industry performance and accountability, primarily the economic impact of the proposal on industry performance and federal revenues and consumers and farmers and so on. This is the group that will look at the proposed incentives and penalties for reducing smoking that are part of this settlement. It will look at impacts on the price of tobacco, on consumption. And the Council of Economic Advisers will play a leading role in this group.

All of these groups have met in the past week. We're going to continue meeting over the next several weeks. And at the same time, we're going to have a comprehensive public outreach effort, particularly to public health experts and to the public health community. We will be working closely with a number of our allies in the effort to reduce smoking, including Doctors Koop and Kessler, and the major public health advocacy groups. And at the same time, we'll be spending a lot of time reaching out to members of Congress who obviously have a great interest in this proposal.

Q What's the goal of all of this?

MR. REED: Well, let me stop there and give Donna a chance to make a brief statement.

SECRETARY SHALALA: Let me just say a couple of things, and then I'll answer Helen's question. We wouldn't be here discussing this if the President hadn't already exerted bold leadership in this area of trying to reduce the number of children who start smoking in the first place and putting a regulatory framework in place over the issue of tobacco.

The review process we've just launched is rigorous and it's thorough. It requires interdisciplinary depth and very sophisticated analysis. We have not been handed a piece of legislation. We've been handed a proposal which has ideas, some of which are in great detail and others which are sort of the outlines.

What we need to do is to ask about that proposal, how it sits within existing law. Does it extend the regulatory framework and the power of the federal government? What role would the federal government play in relationship to cigarettes, for example? We need to ask, how is it balanced? How would

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it be implemented? Is it enforceable? How does it sit, again, within the existing framework of a set of laws that we now -- and regulations that we now operate under? What is the impact on the economy? There has been a discussion about how much money it is; but who pays for this proposal? Is it the stockholders? Is it individuals because taxes will go up on cigarettes? Is it the broader taxpayers because some might be deductible under current laws?

And finally, does it meet our public health objectives? We have been very clear about our public health objectives. Cigarettes kill people. In particular, we know that if a youngster doesn't start smoking before they're 18, they're less likely to begin smoking. Eighty percent of the people who smoke in this country started as teenagers. Our goal has been to reduce the number of teenagers. So the public health implications are very broad and central to what the President asked us to do.

Our goal is to find out whether this proposal will improve the public health and at what cost. And the cost implications are not just financial. They're implications for the way in which the government does its business and the way it organizes its business in relationship to an industry in this country.

Q Do you have any preliminary view?

SECRETARY SHALALA: No. And it's interesting. We don't because it's a complex proposal, and I think that even I, who normally has a view, an initial view from reading something, I do not. In some ways, the first people that have read this have read it for the five or six things that they have deep concerns about. We're reading it differently. We're going to take a comb and comb right through it.

For instance, the Treasury people will want to look at every pot of money and ask a series of questions. Our regulatory people want to look at the regulatory framework. We want to look at whether it's enforceable. We don't -- this proposal doesn't have an enforcement mechanism in it. We have to think about, how would you enforce this on a private company.

That's why our approach, we believe, serves the public interest and makes certain that the President has the answer to every question anyone might possibly ask. It took us a year of very detailed work, once we decided to go ahead, to develop the FDA regulations that we currently have, and took a multi-disciplinary team. In my own department, every part of the development will be involved: from the National Institutes of Health, to the CDC, to the General Counsel's Office, to the substance abuse experts, to the FDA -- the same team that sat together for over a year -- more than 100 people we're involved -- to develop those regulations. We sat last night for five hours with a huge interdisciplinary team, just going through line by line to figure out how we're going to structure our work with these various committees. It's hard work.

Q Is 30 days enough?

SECRETARY SHALALA: You know, we don't know. Every President I know wants everything done in 30 days -- (laughter) -- and we take our President seriously, with great passion. We will tell him where we are in 30 days. We'll try to meet any deadline that he sets for us, but this is hard work and not easy to do from a proposal, as opposed to a piece of legislation, that interrelates with other laws.

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Q Do you feel that a lot of the areas that you describe as being only a sketch outline as opposed to detail were deliberately left in sketch outline --

SECRETARY SHALALA: No.

Q -- because they hadn't reached agreement on those areas?

SECRETARY SHALALA: No, not necessarily. I haven't come to any conclusion about motivation. It just could have been who was at the table at the time and what information they had, so I don't have any view on it.

Q One of the concerns that the President has expressed repeatedly now is this question of FDA's ability to regulate nicotine and cigarettes. Can you explain for us why that concern is there, what you have seen in the agreement thus far that causes you to have some concerns, and what the goal is, why it's so important that the FDA have that authority?

SECRETARY SHALALA: Well, I think that we go back to our original proposal, and that is, we exerted -- we had a major public health problem in this country that we basically have been attacking with a variety of different campaigns and without much leverage on the industry, that we believed was increasingly creating a problem with young people, without ascribing a direct connection between that. We had larger and larger numbers of young people starting to smoke. Three thousand a day. A very scary proposition for the public health.

What authority did the federal government have to do something about that? It turned out it was the regulatory authority of the FDA as a way in which we began to move on a major public health problem. It wasn't the CDC; it happened to be the FDA. And therefore that has been the most powerful instrument that we have had to attack a public health issue.

In this proposal, to be fair to them, they seem to change the way in which the FDA does its business. Some people have said it's a negative, but when we looked at it there is a positive part to. It looks like they expand some authority. We need to look at the balance of that and whether it changes the power equation and the authority equation. And I think that's about as far as I would go without looking at the analysis my folks are doing.

Q And then how does the process work from there? Do you go back to the negotiators with your concerns, or do you go to the Hill? Or what --

SECRETARY SHALALA: Oh, I think that this has been sent to the President --

MR. REED: And to the world.

SECRETARY SHALALA: -- and to the world and to the Congress. And everyone is going to look at it. The important thing is that these were in fact private negotiations that now are in the public. Some of them are requests to change federal law and to change the way we do business. That requires that the Congress pass laws, the President express an opinion, decide whether he's prepared to change some of those laws.

Q Are any of these groups going to take a look at the fees that the plaintiff lawyers would get --

SECRETARY SHALALA: Once you put this into the public arena, everybody is going to look at everything -- on what's appropriate and who's paying them.

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I think there are about 10 agencies involved and several White House offices. We have a great deal of expertise.

QUESTION: Pardon me, sir, but is this beginning of a new health act -- national health act, or what?

REED: No, this is...

QUESTION: Is it the beginning of a new national health program?

REED: No. We are simply going to spend the next month reviewing the proposed tobacco settlement that was reached between the attorneys general and the tobacco industry last week.

There will be about -- a little over 50 senior people from around the government involved and the review is going to focus on four basic areas of the proposal.

Elapsed Time 00:02, Eastern Time 13:15

First, there will be a panel looking at regulatory issues. This is an area that the president just talked about at the bill-signing event. It will look principally at the FDA's authority to regulate nicotine, as well as access advertising and labeling.

It will also look at another element of the settlement which is a proposal to limit environmental tobacco smoke in the work place, and the regulatory team is convened by Elena Kagan, who is my deputy here at the White House.

It involves people from HHS, the Justice Department, FDA, and consists, in large part, of the lawyers and public health experts who put together the FDA rule in the first place which the president proposed in August of last year.

The second team will focus on the program and budget issues, the proposed uses of the settlement funds, including programs to reduce smoking, and to provide children's health insurance.

Elapsed Time 00:03, Eastern Time 13:16

This team is made up of our top health policy experts. The meetings will be convened by Chris Jennings from here at the White House, who many of you know. It also includes Nancy Ann Min from OMB, Bruce Vladeck from HHS and several other top people from HHS.

REED: A third group will be the legal team, focusing on legal issues. This one will also be convened by Elena Kagan and it will focus on the provisions on liability and damages and document disclosure, as well as other broader constitutional and legal questions about the proposal.

And many members of this team are the same lawyers who helped build a legal case that secured the historic court victory in Greensboro on the FDA authority.

Elapsed Time 00:04, Eastern Time 13:17

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And then a fourth team will look at industry performance and accountability, primarily the economic impact of the proposal on industry performance and federal revenues and consumers and farmers and so on. This is the group that will look at the proposed incentives and penalties for reducing smoking that are part of this settlement.

It will look at impacts of the price of tobacco on consumption. And the Council of Economic Advisers will play a leading role in this group.

All of these groups have met in the past week. We're going to continue meeting over the next several weeks. And at the same time, we're going to have a comprehensive public outreach effort, particularly to public health experts and to the public health community.

Elapsed Time 00:05, Eastern Time 13:18

We will be working closely with a number of our allies in the effort to reduce smoking, including Doctors Koop and Kessler, and the major public health advocacy groups.

And at the same time, we'll be spending a lot of time reaching out to members of Congress who obviously have a great interest in this proposal.

QUESTION: What's the goal of all of this?

REED: Well, let me stop there and give Donna a chance to make a brief statement.

SHALALA: Let me just say a couple of things and then I'll answer Helen's question.

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The review process we've just launched is rigorous and it's thorough. It requires interdisciplinary depth, and very sophisticated analysis.

Elapsed Time 00:06, Eastern Time 13:19

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What we need to do is to ask about that proposal, how it sits within existing law. Does it extend the regulatory framework and the power of the federal government? What role would the federal government play in relationship to cigarettes, for example?

We need to ask how is it balanced. How would it be implemented? Is it enforceable? How does it sit, again, within the existing framework of a set of laws that we now -- and regulations that we now operate under?

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SHALALA: What is the impact on the economy? There's been a discussion about how much money it is, but who pays for this proposal? Is it the stockholders? Is it individuals, because taxes will go up on cigarettes? Is it the broader taxpayers, because some might be deductible under current laws?

Elapsed Time 00:07, Eastern Time 13:20

And finally, does it meet our public health objectives? We have been very clear about our public health objectives. Cigarettes kill people, in particular, we know that if a youngster doesn't start smoking before they're 18, they're less likely to begin smoking.

Eighty percent of the people who smoke in this country, started as teenagers. Our goal has been to reduce the number of teenagers. So, the public health implications are very broad and central to what the president asks us to do.

Our goal is to find out whether this proposal will improve the public health, and at what cost. And the cost implications are not just financial, they're implications for the way in which the government does its business, and the way it organizes its business in relationship to an industry in this country.

QUESTION: Do you have any preliminary views?

Elapsed Time 00:08, Eastern Time 13:21

SHALALA: No, and it's interesting. We don't because it's a complex proposal, and I think that even I who normally has a view -- an initial view from reading something, I do not.

In some ways, the first people that have read this, have read it for the five or six things that they have deep concerns about. We are reading it differently. We're going to take a comb, and comb right through it.

For instance, the Treasury people will want to look at every pot of money and ask a series of questions. Our regulatory people want to look at the regulatory framework. We want to look at whether it's enforceable.

We don't -- this proposal doesn't have an enforcement mechanism in it. We have to think about how would you enforce this on a private company? That's why our approach, we believe, serves the public interest, and makes certain that the president has the answer to every question anyone might possibly ask.

Elapsed Time 00:09, Eastern Time 13:22

It took us a year of very detailed work, once we decided to go ahead to develop the FDA regulations that we currently have. And took a multi-disciplinary team.

In my own department, every part of the department will be involved, from the National Institutes of Health, to the CDC, to the General Councils Office, to the substance abuse experts, to the FDA. The same team that sat together for over a year, more than 100 people were involved to develop those regulations.

We sat last night for five hours with a huge interdisciplinary team, just going through line by line to figure out how we're going to structure our work

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QUESTION: Is 30 days enough?

SHALALA: You know, we don't know. Every president I know wants everything done in 30 days.

(LAUGHTER)

And we take our president seriously, with great passion. We will tell him where we are in 30 days. We'll try to meet any deadline that he sets for us, but this is hard work and not easy to do from a proposal, as opposed to a piece of legislation that interrelates with other laws.

QUESTION: Did you feel that a lot of the areas that you described as being only in a sketch outline as opposed to detailed, were deliberately left in a sketch outline...

Elapsed Time 00:10, Eastern Time 13:23

SHALALA: No.

QUESTION: ... because they haven't reached agreement on that.

SHALALA: No. Not necessarily. I haven't come to any conclusion about motivation. You know, it just could have been who was at the table at the time and what information they had, so I don't have any view on it.

QUESTION: One of the concerns of the president has expressed repeatedly now is this question of FDA's ability to regulate nicotine in cigarettes.

Can you explain for us why that concern is there? What you have seen in the agreement thus far causes you to have some concerns, and what the goal is? I mean, why it's so important that the FDA have that authority?

SHALALA: Well, I think that we go back to our original proposal, and that is, we exerted -- we had a major public health problem in this country that we basically have been attacking with a variety of different campaigns and without much leverage on the industry that we believed was increasingly creating a problem with young people.

Elapsed Time 00:11, Eastern Time 13:24

Without ascribing direct connection between that, we had larger and larger numbers of young people starting to smoke -- 3,000 a day, a very scary proposition for the public health.

What authority did the federal government have to do something about that? It turned out it was the regulatory authority of the FDA as a way in which we began to move on a major public health problem.

It wasn't the CDC. It happened to be the FDA. And therefore, that has been the most powerful instrument that we have had to attack a public health issue.

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In this proposal, to be fair to them, they seem to change the way in which the FDA does its business. Some people have said it's a negative, but when we looked at it, there's some positive parts, too. It looks like they expand some authority.

Elapsed Time 00:12, Eastern Time 13:25

We need to look at the balance of that and whether it changes the power equation and the authority equation. And I think that's about as far as I would go without looking at the analysis my folks are doing.

QUESTION: And how does the process work from there? Do you go back to the negotiators with your concerns or do you go to the Hill, or what...

SHALALA: Oh, I think that this has been sent to the president and to the world and to the Congress, and everyone's going to look at it. The important thing is that these were, in fact private negotiations that now are in the public.

Some of them are a request to change federal law and to change the way we do business. That requires that Congress pass laws, the president express an opinion, decide whether he's prepared to change some of those laws.

QUESTION: Are any of these groups going to take a look at the fees that the plaintiff lawyers would get from this?

SHALALA: I -- once you put this into the public arena, everybody's going to look at everything on what's appropriate and who's paying them.

Elapsed Time 00:13, Eastern Time 13:26

QUESTION: All right. Because it wasn't mentioned as far as the report...

REED: Well, there's nothing in the settlement about fees.

SHALALA: I think it was done as a separate arrangement.

SHALALA: But that doesn't mean that the groups that are coming in to advise us aren't going to make some comment on that. It's now in the public arena. And there'll be lots of commentary.

QUESTION: Secretary Shalala...

QUESTION: Is the department take on this merely making it (OFF- MIKE)?

QUESTION: Yesterday's hearing was very contentious between...

I'm sorry.

SHALALA: Why don't you go ahead and then I'll take the next one. Go ahead.

QUESTION: Are you enthusiastic about this? Or is it -- is this a heavy burden that you have to slog through?

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SHALALA: Let me tell you what I told my colleagues the night before last as we sat down for the five-hour kind of line-by-line review.

Elapsed Time 00:14, Eastern Time 13:27

I said that when the president took the step on FDA regulations, I told them that this was a chance of a lifetime, that once in your career, you get to take a step in an area of public health that is so dramatic and so significant in terms of its implications for the public health.

And I said to them -- I never thought we'd get another kick at the can. And there was a -- if there was any possibility that we could take another giant step for the public health, we should not shirk from at least taking a look to see if there was a possibility.

We go into this looking for another opportunity to take a strong step for public health, but with the same kind of hard-nosed rigor that we brought the first time around, when everybody said to us, not a chance. The president's going into an election. There's not a chance that anyone is going to take this kind of step.

Back there.

Elapsed Time 00:15, Eastern Time 13:28

QUESTION: How do you get past the fact that there are all kinds of parliamentary tactics being invoked yesterday during the initial hearing to stall it, to kill it? How are you going to get any sense of cooperation out of the Congress when they themselves can't even -- in this process, when they themselves can't even agree how to do it?

SHALALA: Well, I'd say each in its own style in terms of a review. We're going to take a look at it analytically, tough-minded, without revealing our hand early on. The Congress is going to go through a public process, public reviews.

We're going to, obviously, bring in people to give us their opinion. And at the end of the day, I would expect the Congress to do the same thing the president's going to do, and that is give it the tough-minded review that the work that was done deserves.

QUESTION: Does the Supreme Court asbestos decision mean that you are looking more closely at having to do something in Congress? That you really need to get a proposal through Congress that you can live with? As opposed to going through litigation in the courts?

Elapsed Time 00:16, Eastern Time 13:29

SHALALA: Oh, I think -- no. We will not do anything in our review that will undermine what we believe is the very strong case that we have on the FDA regulations. So anything that we say or do as part of this review will not undermine our determination to go forward.

We believe that what we have done is legal, that the FDA has the authority, that we have not undermined the First Amendment, and we intend to go forward

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with that case.

QUESTION: Secretary Shalala, of all the voices we've heard, this is definitely a very contentious and controversial issue. I don't think King Solomon could probably solve it, but which way can you guarantee that the position executive of the White House comes down, won't be seen as a political decision? That you'll have enough backing that people will think your study is a valid one?

Elapsed Time 00:17, Eastern Time 13:30

SHALALA: Oh, I think the president has a record that we're building on in children's health. He's made fundamental tough decisions. One of the toughest decisions any president has ever made to go forward on the issue of tobacco and children by putting the FDA regulations.

We have credibility on this issue, because we've stepped forward, we did it -- we did it in the middle of an election year, when everybody said, can you believe that anyone would make this kind of decision. And the president believes deeply that the fundamental question we ought to ask is, will the public health be improved if we do something related to what the proposal is.

QUESTION: Is there anyone who is cautioning within the administration, or voices from outside advising you, saying we ought not tinker with this too much? Because it was a carefully constructed deal, and the tobacco companies might just walk away. And that's not what we want.

Or is the view more, hey, we're going to take a long, hard look at this, and -- you know -- they can do whatever they want after the fact?

SHALALA: Everyone. Everyone is saying everything.

(LAUGHTER)

Elapsed Time 00:18, Eastern Time 13:31

All of the above. I'm saying, let's be cautious, and let's be rigorous. They're saying, well, if you tinker with it too much -- but that's what people always say when they bring you a piece of legislation.

We've got this very carefully constructed coalition. It's not new for us. People bring us proposals all the time, usually not as complex as this one. And we say, we're going to look at it through the clearest eyes that we possibly can, because we have a responsibility to the public and we're going to do it in public.

QUESTION: Well, let me ask you this -- just how seriously do you take their threats to -- if you change it too much, we're going to take our -- you know -- stuff and go home?

SHALALA: I just -- I think that we shouldn't comment on that, because what we want to do is to do what the president has said. We want to make a very rigorous -- take a very rigorous look at this.

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QUESTION: Are you tinkering or just judging (OFF-MIKE)?

SHALALA: I think we're taking a very rigorous look at this proposal. And you'll be the judge when the president decides what he wants to do.

Elapsed Time 00:19, Eastern Time 13:32

QUESTION: (OFF-MIKE) know you were going to that? I mean, (OFF- MIKE)...

SHALALA: ... Yes, the president announced it -- the president announced it before the negotiations were finished. The president announced that it would be put through a rigorous review by this administration.

QUESTION: But back to my question, do you see at the end of this process of 30 or whatever number of days it is, that you will have just said this works for us, or this doesn't, or this part -- or will you be saying this doesn't work for us, but this would if you...

SHALALA: ... I don't know the answer to that question, because we haven't finished our review. That's for a later point.

QUESTION: Is there any polling taking place to determine the public attitude on this settlement, as it stands?

SHALALA: I don't know of any polling. Do you know of any polling? I'm sure that -- my guess is because the issues out there, that there may be some public polling by the big polling agencies.

SHALALA: But I'm not doing any polling.

We know what the polls are and the public's attitude about children and tobacco.

QUESTION: One follow up on that.

What sort of role would there be for Mr. Moore and some of the others, like tobacco representatives, such as Mr. Koplow, in this review process?

Elapsed Time 00:20, Eastern Time 13:33

SHALALA: Well, you know, we may have some questions for them, I would think, about what did you mean by this. There is some language used in this that, for instance in the first review, even some of my lawyers weren't quite sure what a national protocol meant.

I mean, there is some -- I'm sure we'll be asking them questions. I'm sure they'll want to talk to us and tell us what they were trying to achieve. I'm sure they'll want to pitch us on how delicate it is and the fact is that we're open, as we have always been, on any proposal that comes to us.

QUESTION: How seriously are you taking Kessler and Koop's criticism of the FDA restrictions? Are they going to be advising your group?

SHALALA: The president had indicated that the Koop-Kessler committee will be listened to carefully. David Kessler has long been an associate of ours. He

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and Chick Koop are the leading spokespeople on these issues and have been leaders in changing the role of the federal government.

Elapsed Time 00:21, Eastern Time 13:34

Their views will be taken very seriously. And...

QUESTION: But they say it's unacceptable.

SHALALA: We've already talked to -- they said that parts of this agreement are unacceptable, including the FDA piece. But you heard the president. He wants to make sure there's an FDA regulatory framework that's firm and as clear as what we currently believe we have.

QUESTION: I mean, do you think it's within your mandate when you're doing this review -- it must have already been discussed -- that you can do the review and make recommendations about regulation, et cetera? And when you're making this study, are you going to be looking at regulation vis-a-vis enforceability?

I mean, you've had experience with this with the drug war...

SHALALA: Right. Yes.

I think we're pragmatic about this. We need to know whether this works. What does it cost? What's the balance between -- do we have to give anything up? What are we gaining?

Elapsed Time 00:22, Eastern Time 13:35

I mean, we're looking at it as we would any complex piece of legislation in terms of its impact. How does it interrelate? What are the new roles and responsibilities? What are the new regulatory frameworks?

This proposal has a huge framework over retail business. It has implications for advertising, for the agriculture people, for everybody that sells a cigarette in the United States. It has a new framework for that.

That's why you can't just go through six things like this. You really have to look at it with great care.

QUESTION: Where on this process do you address the overall question of whether it's tough enough on the tobacco industry? That's come up a lot in Congress.

SHALALA: Well, Bruce and I will be -- will be working on this. It's -- I think that the first way I look at this is does it substantially improve the public health? And then my second question is at what cost and at what price?

SHALALA: But we're -- we're really single-minded in this administration.

Elapsed Time 00:23, Eastern Time 13:36

We want to substantially improve the public health. We want to reduce the number of kids that start smoking in the first place, substantially, and does this -- we're going to look at this as it adds to what we've already done.

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We've already set our goals. We've already put our regs in place. So that's the way...

QUESTION: Do you have some level in mind which would be, you know, punishment enough for the tobacco industry, you know, so good can come of it?

SHALALA: No. No. And you know, I don't know enough to answer those questions yet. You're asking for more detail before we've really gotten into it.

I think -- in fact, because I don't know much more than that, I think we've about run our space.

(LAUGHTER)

REED: Yes.

SHALALA: Thank you very much. Thank you.

LANGUAGE: ENGLISH

LOAD-DATE: June 30, 1997

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FDCH Political Transcripts

June 27, 1997, Friday

TYPE: NEWS BRIEFING

LENGTH: 4154 words

HEADLINE: HOLDS NEWS BRIEFING ON THE INTER-AGENCY REVIEW OF THE PROPOSED
TOBACCO SETTLEMENT; WASHINGTON, D.C.

SPEAKER:

DONNA SHALALA, U.S. SECRETARY OF HEALTH AND HUMAN SERVICES

BODY:

NEWS BRIEFING ON THE INTER-AGENCY REVIEW OF THE PROPOSED
TOBACCO SETTLEMENT

JUNE 27, 1997

*** Elapsed Time 00:00, Eastern Time 13:13 ***

SPEAKERS: BRUCE REED, ASSISTANT TO THE PRESIDENT FOR
DOMESTIC POLICY

DONNA SHALALA, SECRETARY OF HEALTH AND HUMAN
SERVICES

*

REED: Good afternoon. I'm Bruce Reed, assistant to the president for domestic policy and I'm going to talk just for a minute about this process. I think you have a piece of paper in front of you that basically describes everything I'm about to say.

QUESTION: We don't. We don't.

REED: You don't?

QUESTION: (OFF-MIKE)

REED: Very good. Thank you. I want to make sure you get that piece of paper so you don't actually have to listen to what I say.

QUESTION: Sir, what are you talking about, a piece of paper? What are you talking about?

REED: It's coming. I promise. Would you like me to stall, or are you willing to wait?

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QUESTION: We're willing to listen. We'll take some jokes.

REED: Well, I'll go over some of the high points.

QUESTION: (OFF-MIKE)

(LAUGHTER)

REED: OK. Basically, the president has asked Secretary Shalala and me to lead an inter-agency review of the proposed tobacco settlement and this is going to be a thorough public health review that will involve a number of agencies and departments here within the White House.

*** Elapsed Time 00:01, Eastern Time 13:14 ***

I think there are about 10 agencies involved and several White House offices. We have a great deal of expertise.

QUESTION: Pardon me, sir, but is this beginning of a new health act -- national health act, or what?

REED: No, this is...

QUESTION: Is it the beginning of a new national health program?

REED: No. We are simply going to spend the next month reviewing the proposed tobacco settlement that was reached between the attorneys general and the tobacco industry last week.

There will be about -- a little over 50 senior people from around the government involved and the review is going to focus on four basic areas of the proposal.

*** Elapsed Time 00:02, Eastern Time 13:15 ***

First, there will be a panel looking at regulatory issues. This is an area that the president just talked about at the bill-signing event. It will look principally at the FDA's authority to regulate nicotine, as well as access advertising and labeling.

It will also look at another element of the settlement which is a proposal to limit environmental tobacco smoke in the work place, and the regulatory team is convened by Elena Kagan, who is my deputy here at the White House.

It involves people from HHS, the Justice Department, FDA, and consists, in large part, of the lawyers and public health experts who put together the FDA rule in the first place which the president proposed in August of last year.

The second team will focus on the program and budget issues, the proposed uses of the settlement funds, including programs to reduce smoking, and to provide children's health insurance.

*** Elapsed Time 00:03, Eastern Time 13:16 ***

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This team is made up of our top health policy experts. The meetings will be convened by Chris Jennings from here at the White House, who many of you know. It also includes Nancy Ann Min from OMB, Bruce Vladeck from HHS and several other top people from HHS.

REED: A third group will be the legal team, focusing on legal issues. This one will also be convened by Elena Kagan and it will focus on the provisions on liability and damages and document disclosure, as well as other broader constitutional and legal questions about the proposal.

And many members of this team are the same lawyers who helped build a legal case that secured the historic court victory in Greensboro on the FDA authority.

*** Elapsed Time 00:04, Eastern Time 13:17 ***

And then a fourth team will look at industry performance and accountability, primarily the economic impact of the proposal on industry performance and federal revenues and consumers and farmers and so on. This is the group that will look at the proposed incentives and penalties for reducing smoking that are part of this settlement.

It will look at impacts of the price of tobacco on consumption. And the Council of Economic Advisers will play a leading role in this group.

All of these groups have met in the past week. We're going to continue meeting over the next several weeks. And at the same time, we're going to have a comprehensive public outreach effort, particularly to public health experts and to the public health community.

*** Elapsed Time 00:05, Eastern Time 13:18 ***

We will be working closely with a number of our allies in the effort to reduce smoking, including Doctors Koop and Kessler, and the major public health advocacy groups.

And at the same time, we'll be spending a lot of time reaching out to members of Congress who obviously have a great interest in this proposal.

QUESTION: What's the goal of all of this?

REED: Well, let me stop there and give Donna a chance to make a brief statement.

SHALALA: Let me just say a couple of things and then I'll answer Helen's question.

We wouldn't be here discussing this if the president hadn't already exerted bold leadership in this area of trying to reduce the number of children who start smoking in the first place, and putting a regulatory framework in place over the issue of tobacco.

The review process we've just launched is rigorous and it's thorough. It requires interdisciplinary depth, and very sophisticated analysis.

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*** Elapsed Time 00:06, Eastern Time 13:19 ***

We have not been handed a piece of legislation. We've been handed a proposal which has ideas, some of which are in great detail and others which are sort of the outlines.

What we need to do is to ask about that proposal, how it sits within existing law. Does it extend the regulatory framework and the power of the federal government? What role would the federal government play in relationship to cigarettes, for example?

We need to ask how is it balanced. How would it be implemented? Is it enforceable? How does it sit, again, within the existing framework of a set of laws that we now -- and regulations that we now operate under?

SHALALA: What is the impact on the economy? There's been a discussion about how much money it is, but who pays for this proposal? Is it the stockholders? Is it individuals, because taxes will go up on cigarettes? Is it the broader taxpayers, because some might be deductible under current laws?

*** Elapsed Time 00:07, Eastern Time 13:20 ***

And finally, does it meet our public health objectives? We have been very clear about our public health objectives. Cigarettes kill people, in particular, we know that if a youngster doesn't start smoking before they're 18, they're less likely to begin smoking.

Eighty percent of the people who smoke in this country, started as teenagers. Our goal has been to reduce the number of teenagers. So, the public health implications are very broad and central to what the president asks us to do.

Our goal is to find out whether this proposal will improve the public health, and at what cost. And the cost implications are not just financial, they're implications for the way in which the government does its business, and the way it organizes its business in relationship to an industry in this country.

QUESTION: Do you have any preliminary views?

*** Elapsed Time 00:08, Eastern Time 13:21 ***

SHALALA: No, and it's interesting. We don't because it's a complex proposal, and I think that even I who normally has a view -- an initial view from reading something, I do not.

In some ways, the first people that have read this, have read it for the five or six things that they have deep concerns about. We are reading it differently. We're going to take a comb, and comb right through it.

For instance, the Treasury people will want to look at every pot of money and ask a series of questions. Our regulatory people want to look at the regulatory framework. We want to look at whether it's enforceable.

We don't -- this proposal doesn't have an enforcement mechanism in it. We have to think about how would you enforce this on a private company? That's

why our approach, we believe, serves the public interest, and makes certain that the president has the answer to every question anyone might possibly ask.

*** Elapsed Time 00:09, Eastern Time 13:22 ***

It took us a year of very detailed work, once we decided to go ahead to develop the FDA regulations that we currently have. And took a multi-disciplinary team.

In my own department, every part of the department will be involved, from the National Institutes of Health, to the CDC, to the General Councils Office, to the substance abuse experts, to the FDA. The same team that sat together for over a year, more than 100 people were involved to develop those regulations.

We sat last night for five hours with a huge interdisciplinary team, just going through line by line to figure out how we're going to structure our work with these various committees. It's hard work.

QUESTION: Is 30 days enough?

SHALALA: You know, we don't know. Every president I know wants everything done in 30 days.

(LAUGHTER)

And we take our president seriously, with great passion. We will tell him where we are in 30 days. We'll try to meet any deadline that he sets for us, but this is hard work and not easy to do from a proposal, as opposed to a piece of legislation that interrelates with other laws.

QUESTION: Did you feel that a lot of the areas that you described as being only in a sketch outline as opposed to detailed, were deliberately left in a sketch outline...

*** Elapsed Time 00:10, Eastern Time 13:23 ***

SHALALA: No.

QUESTION: ... because they haven't reached agreement on that.

SHALALA: No. Not necessarily. I haven't come to any conclusion about motivation. You know, it just could have been who was at the table at the time and what information they had, so I don't have any view on it.

QUESTION: One of the concerns of the president has expressed repeatedly now is this question of FDA's ability to regulate nicotine in cigarettes.

Can you explain for us why that concern is there? What you have seen in the agreement thus far causes you to have some concerns, and what the goal is? I mean, why it's so important that the FDA have that authority?

SHALALA: Well, I think that we go back to our original proposal, and that is, we exerted -- we had a major public health problem in this country that we

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basically have been attacking with a variety of different campaigns and without much leverage on the industry that we believed was increasingly creating a problem with young people.

*** Elapsed Time 00:11, Eastern Time 13:24 ***

Without ascribing direct connection between that, we had larger and larger numbers of young people starting to smoke -- 3,000 a day, a very scary proposition for the public health.

What authority did the federal government have to do something about that? It turned out it was the regulatory authority of the FDA as a way in which we began to move on a major public health problem.

It wasn't the CDC. It happened to be the FDA. And therefore, that has been the most powerful instrument that we have had to attack a public health issue.

In this proposal, to be fair to them, they seem to change the way in which the FDA does its business. Some people have said it's a negative, but when we looked at it, there's some positive parts, too. It looks like they expand some authority.

*** Elapsed Time 00:12, Eastern Time 13:25 ***

We need to look at the balance of that and whether it changes the power equation and the authority equation. And I think that's about as far as I would go without looking at the analysis my folks are doing.

QUESTION: And how does the process work from there? Do you go back to the negotiators with your concerns or do you go to the Hill, or what...

SHALALA: Oh, I think that this has been sent to the president and to the world and to the Congress, and everyone's going to look at it. The important thing is that these were, in fact private negotiations that now are in the public.

Some of them are a request to change federal law and to change the way we do business. That requires that Congress pass laws, the president express an opinion, decide whether he's prepared to change some of those laws.

QUESTION: Are any of these groups going to take a look at the fees that the plaintiff lawyers would get from this?

SHALALA: I -- once you put this into the public arena, everybody's going to look at everything on what's appropriate and who's paying them.

*** Elapsed Time 00:13, Eastern Time 13:26 ***

QUESTION: All right. Because it wasn't mentioned as far as the report...

REED: Well, there's nothing in the settlement about fees.

SHALALA: I think it was done as a separate arrangement.

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JUNE 12, 1997, THURSDAY

SECTION: WHITE HOUSE BRIEFING

LENGTH: 7152 words

HEADLINE: WHITE HOUSE SPECIAL BRIEFING

SUBJECT: PRESIDENT CLINTON'S INITIATIVE ON RACE

BRIEFERS:

JOE LOCKHART, DEPUTY PRESS SECRETARY

SYLVIA MATHEWS, DEPUTY CHIEF OF STAFF

AND MARIA ECHAVESTE, DIRECTOR, OFFICE OF PUBLIC LIAISON

THE WHITE HOUSE BRIEFING ROOM

WASHINGTON, DC

BODY:

MR. LOCKHART: Afternoon, everyone. Before Mike comes out, we wanted to spend a few minutes to talk about the president's initiative on race, which he will give a speech in San Diego on Saturday, as you well know.

I'm going to invite a couple of people who have worked very hard -- long and hard, and have done excellent work on this process. Deputy Chief of Staff Sylvia Mathews has led the process, working with Maria Echaveste, the director of the Office of Public Liaison. Sylvia will walk you through who's on the board and how we went about setting up the board, the goals of the initiative and also some of the elements of the initiative.

So with that -- but one other note --

Q Do you have paper on that?

MR. LOCKHART: Yeah, we'll have -- the paper is being Xeroxed right now. It will be, when we're done, available in the bins.

On one logistical note, as we told you, the advisory board will be here tomorrow. And Beverly Barnes (sp), who most of you know, who works with the Chief of Staff Erskine Bowles, will be handling the inquiries for the board because I know a lot of you will be interested in talking to them. So if you want to get in touch with the board members, you know, over the next few days, work through Beverly.

Q There's a meeting here tomorrow with them?

MR. LOCKHART: They are traveling out to San Diego with the president, and this is a get-together tomorrow.

Q What time is that meeting?

MR. LOCKHART: It's late in the afternoon. I think 4:30.

Yeah?

Q They're all going on Air Force One?

Q Will there be a readout here or will there be a photo op? What's the logistics for the meeting?

MR. LOCKHART: I believe we'll do a pool spray at the top of the meeting and do something here. And then I'll be on the plane going out to San Diego.

Q But what about for those of us here? Somebody else is going on the plane, but somebody's writing the story here because it's awfully late by the time you get there, can there be a readout --

MR. LOCKHART: Yeah, we'll do -- we'll try to do some sort of readout here.

Q Just for those of us who want to cover the news and then also be on the

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charter, is it possible to delay the charter?

MR. LOCKHART: Well, let me go and look at that, Wolf. I'll see.

Q Well, I mean, why does the charter have to leave so early?

MR. LOCKHART: Well, let me -- I'll go back and look at it, okay?

With that, Sylvia.

MS. MATHEWS: Thank you.

The first thing I wanted to spend just a minute on are the goals and methods of the president's initiative and review that, and then talk about the elements of the initiative, and then share with you the members of the president's advisory board.

Q Why don't you do the members first?

MS. MATHEWS: I'm happy to do it that way, if you all would prefer.

The president's advisory board, which has a seven-person membership, is going to be structured to advise over the period of the year-long -- a year-long period for the initiative. And the chairman of the board will be John Hope Franklin of Durham, North Carolina, who I'm sure many of you are familiar with -- a retired historian and educator. William F. Winner (sp), of Jackson, Mississippi.

Governor Winner was former governor of Mississippi and has served in a number of capacities both inside and out of government and is in a law practice right now. Linda Chavez Thompson of Washington, DC. I think many of you know her. She is the executive vice president with the AFL-CIO. Robert Thomas of Cotodakoza (sp), California. Mr. Thomas is the president and CEO of Nissan U.S.A.

Angela Oh (sp), of Cyrenus (sp), California. Angela -- Ms. Oh is a practicing lawyer in LA right now. She is also a person who was very involved in the LA riots and part of the reconciliation efforts that occurred there, the multiracial issues that were occurring there between African Americans as well as the Asian and Hispanic communities. And she's been involved in that effort in her home city.

And finally, Susan Johnson Cook (sp). And some of you may have met Susan when she was a White House fellow. Susan is an African American female minister in New York City. Right now she's senior pastor of what's called the Bronx Christian Fellowship, in the Bronx. She was also the first female chaplain of the New York City Police Department.

The other name that I'll go ahead and announce now -- and you'll understand how it fits into the structure as I go on --

Q (Off mike.)

MS. MATHEWS: Oh, I'm sorry. My list -- yes, I'm sorry. I skipped over Tom Kean, who I think you all are familiar with -- the former governor.

Q (Off mike.)

MS. MATHEWS: Kean. And it's spelled -- the -- K-E -- right.

Q (Off mike.)

MS. MATHEWS: The other name that I will go ahead and announce now is Christopher Edley (sp). Chris Edley (sp) is not a member of the advisory board. But what Chris is going to do is he's going to be a senior advisor to the initiative, and he will help us with our policy development. He'll be a consultant and will come down periodically and work with our Domestic Policy Council, Elena Kagan and Jose Cerda, to organize and develop policies over the period of the year. So those are the names and why don't I now go to the --

Q One question: What's Taylor Branch's (sp) role going to be? Is he going to sort of work with the president to write his report?

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MS. MATHEWS: If it's all right, can I get through the initiative and then return to the question, or --

Q (Off mike.)

MS. MATHEWS: Yeah, I think that might be helpful -- if we could get -- and then we'll --

Q (Off mike.)

MS. MATHEWS: We'll do it that way, then.

(Cross talk, laughter.)

Q Yeah.

MS. MATHEWS: Good.

First, under the goals:

Goal number one is to articulate the president's vision of racial reconciliation, and we think that's an important thing, because it is his vision of how we want to take the country into the next century and talk about what he believes and why that's right. And that will be the focus of the speech. Part of why we're doing this briefing now is so that he has that ability in the speech on Saturday.

Goal number two is to help educate the nation both about the facts surrounding the issue of race and the history. At this point we have a generation -- the education has two focuses to it, the past and the future. We have a situation now where many people don't know the history of the civil rights movement or a lot of the nation's history with regards to race relations, whether it's black, white, Hispanic, or Native American.

Additionally, the education part is about talking about what the future's going to look like. If you looked at the Gallup study, I think you all probably saw some very interesting statistics. While that was black-white only and the initiative is broader than that, you saw the number of people -- whites -- and what they thought the racial mix was. There are some misperceptions in education there on what our racial balance is now, but also I'm not sure how many people in the United States realize that in the year 2050 we'll be at about 53 white and then 47 percent other minorities. The third goal is to promote a constructive dialogue. I think that's something you all had talked and heard a lot about leading up to this effort. And one thing I would add there: It's a constructive dialogue on the difficult issues. In order to have a dialogue, we need to have a dialogue on some of the positive things, like the Tuskegee apology. But we also need to talk about some of the tough issues, like the kind of issues you-all face every day, whether it's in your news organizations, in hiring, or in your communities.

The fourth goal is to recruit and encourage leadership. In order to give the effort breadth and depth, part of what we will do is try and work to get others involved, whether it's in business or in state and local government in the states throughout the nation.

And finally, the fifth goal is to find, develop and implement solutions in critical areas such as education, economic opportunity, housing, health care, crime, and the administration of justice. And these solutions that we're looking for are for individuals, for communities, for corporations, and for state and local governments.

On the methods, just a couple of points. One is presidential leadership. This contrasts with past issues because of the close involvement with the president. That's why he chose to do an advisory board instead of what has been viewed as a traditional commission.

Then let me just say, it has three elements really, if you think about it: dialogue, study and action. And I can spend time, but I'll wait for questions to do that.

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The elements of the initiative: One, the advisory board, which we just talked about. Those people will help scope and focus the study and dialogue work that we do over the year. They'll also help us with policy ideas, with outreach to the community, with working with experts, and talking to the American people. Two, the president is going to do significant events throughout the year. I think as it has already been reported, some of those will be town halls, others of those will be events like Tuskegee, and today we're announcing that we will be going to Little Rock for the Central High anniversary.

Q When is that?

MS. MATHEWS: September -- I don't know the exact date that we're going, but we can get that for you.

The third element is the outreach and consultation of leadership, which our advisory board will help us with, and our staff that we'll set up will.

And the fourth thing is the president's report to the American people. Instead of having a report from a commission, the president will be doing his own report to the American people. Finally, something that won't be in your paper but is an important element, is that we will be selecting an executive director and a staff. The staff will be about 15 to 20 people, and will be a combination of detailees, agency reps, and a few hires. That will be funded -- we're working with -- Justice is working with its appropriators right now to try and do a reprogramming of funds to do that to pay for that.

I think with that, I should stop and we should take questions, unless you have anything to add, Maria.

MS. ECHAVESTE: I just wanted to add that in formulating this initiative, we did engage in a process of outreach that was both wide, but also close in. Senior staff, as well as the president, talked in depth with between 25 to 35 individuals in the course of the last 2- 1/2 months. But we also spoke to over 100 people before we finalized the initiative, getting their reaction and their thoughts about what road he should take.

We have ongoing a process of contacting over 300 people around the country -- opinion leaders, constituencies, organizations -- others who we hope will be part of this initiative in the course of the next year.

I think the best thing to say is that the reaction from a number of different people and, frankly, the majority, was positive in having the president take on this initiative, but also urging the president to take on the hard issues. And that is why the initiative has taken the form that it has. So I'll stop there.

Q What is the ultimate goal? Is it integration? A total reconciliation? And what -- you know, what are you really striving for in English?

MS. MATHEWS: Hope is that in a year's time that we will have ways that both policies and people can help the nation respect each other's differences, but at the same time grow together as one. And that's it in a simple sentence.

But let me just elaborate a little bit. And that's the idea that we're going to continue to become more and more racially diverse, and as we do, we need to learn that we have to start with the respect of each other's differences before we can focus on those things that are our shared values, our shared concerns, our shared problems, and do it as one nation.

Q There's already been some criticism of the fact that the solutions come at the back end. There are people out there already saying what the president needs to do is talk about solutions to these problems on the street, crime, justice, so forth, now. And they want money as well.

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MS. MATHEWS: Two -- I think two separate parts there. One is that we are going to start talking about those issues now, and as far as policy actions, that

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will come over the time. The three different parts -- study, dialogue and action -- are iterative and they will feed into each other over the period of a year.

On the separate question of money, did you want to --

MS. ECHAVESTE: I just wanted to add that this is a different time than it was, say, 25 or 30 years ago. There was a consensus, if you will, that there were illegal barriers, things that the government needed to do. I would argue that at the moment, there's not a consensus that in fact racism still exists. There are many places around the country that believe that in fact we've solved all our problems. So before you start advocating particular solutions, there needs to be a process of shared views that in fact problems exist, and how to address them.

Q Can you describe those problems? What is it -- what is the problem that the president hopes to address with this? Is it racial prejudice and bigotry that he thinks is out of control, or something of that nature?

MS. MATHEWS: I think that there are a number of different problems, and that's a part of what the initiative will show over time. We see problems in perception, and then you see -- there are really two categories; problems in perception and problems in reality. In the perception front, what's actually stereotypes and that's reality? And we saw, I think, a perception gap in the Gallup poll, and we see that in a number of different places. On the question of what's really wrong; the reality of how much racism does exist, and how do we work to correct for that.

Q The Kerner Commission addressed all this 25 years ago or so, and a lot of people would say things have gotten a lot worse since then. How is this going to succeed where the Kerner Commission failed -- the Lyndon Johnson initiative failed?

MS. MATHEWS: Well, I think for starters, the Kerner Commission, number one, focused only on African American and white relations, notwithstanding that in different parts of the country we already had a multi-ethnic, multi-racial community.

Number two, the Kerner Commission came as a result of a particular time in terms of violence and riots and that type of crisis. This is a different time. And number three, there are issues in terms of really asking, you know, there are some issues that relate to economics, and there will be those critics on the left who say, "Money is what's needed, investment in the inner cities." But there are others who would argue that notwithstanding the strides that have been made in terms of increasing opportunities for different minorities, that there continues to be racism. Even, for example, a company like Texaco, where the issue wasn't getting a job, but it was actually the interactions among people and what kind of atmosphere people worked under. So those are issues that aren't necessarily solved by money, but nonetheless, have to be attacked.

Q Where's the staff going to come from? What kind of staff are you looking for? You're reprogramming people, but from what functions?

MS. MATHEWS: From all our departments. They'll come from the Cabinet departments, is where they'll come from. When we talked about some of the substantive issue areas, like housing, the administration of justice, health care, Secretary Shalala, in our Cabinet briefing yesterday, expressed her interest in ensuring --

Q It will be sort of a sub-set of the Cabinet?

MS. MATHEWS: We'll have people from all -- we have to have people from a number of the departments representing those different areas to help guide the policy development as well as the dialogue and the study.

Q I don't mean to be excessively -- you know, negative about this, because I

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understand that's unpleasant; you're trying to do something good here, and so forth.

But I guess the interesting thing for a lot of us is that -- you know, you keep -- the folks who talk about this keep saying, "Well, there was a consensus 25 years ago. There's no consensus today, and that's why we have to have this big sort of discussion to figure out what to do."

I think people who cover these issues would dispute that there was any consensus about that. Why was there a year-long battle over the Civil Rights Act, I mean -- you know, in 1964?

So, I guess some people who have been sort of analyzing this initiative wonder whether this idea that it's so unclear what to do, we don't know what the problems are, we have to figure it out before we can act, is kind of a way to avoid doing something. It's just a way to kind of talk about these issues without really having to decide something and actually do something, those things that are within the president's power to do, like, for example, make certain appointments, integrate the White House staff a little bit more thoroughly than it is, things of that sort. Do you know what I'm talking about, and could you speak to that?

MS. MATHEWS: I would be interested in -- the consensus point, I'm not -- you know, if you want to articulate what you believe the consensus is that there is a race problem, that there isn't, or that --

Q That's my point, the argument that 25 years ago it was so clear what direction the country needed to move in cannot be the case if there were these -- the profound, you know, legislative battles we had over every major civil rights initiative that's ever been passed in this country. There were tremendous, pitched battles.

There were fistfights on the floor, off the floor, you know, screaming fits. So clearly there was no consensus 25 years ago, and yet legislation was passed, moved forward, and so forth, and with the president's leadership.

So the -- you see, my point -- it's --

MS. MATHEWS: I think --

Q -- so it isn't just that everybody jumped up and said, "We need to pass the Civil Rights Act." They didn't do that. (We had enough people ?) do it.

MS. MATHEWS: I think, though, that we believe that we are showing leadership. The truth is that I think that while this is an -- this is an issue that often is sailing against the political head winds in a number of ways. By going to California and choosing that as the place in which we make our speech, you know, I think we're making a statement. Already we've seen ads that are cut -- I think the president is showing leadership on the issue, and we're starting to see reaction.

We're going to have critics from the left and critics from the right. They're going to be passionate and they're going to be vocal. That's why this is a tough issue and an important issue.

As far as the action, part of the thing that we believe is an important thing to do -- there are the policy elements, and we have already started work. The Domestic Policy Council, under Elena Kagan and Jose Cerda, working with our counsel's office, have started the interagency with the Justice Department and Education, on specifically looking at the ramifications of (Huffwood ?) and Prop. 209. We are on our way on those things.

The other things, in terms of action -- the issue of dialogue -- when we've discussed things with a number of people outside, the importance of having people talk about and having the president show the leadership, to have the American people talk about the tough issues that we all aren't willing to talk

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about on a day to day basis.
(Cross talk.)

Q Sylvia, how did you figure out that this would be a year- long process? It seems like an awful long time -- (inaudible due to coughing) -- things that are on the front burner for a lot of people right now. Why will it take so long?

MS. MATHEWS: As I said, it will be an iterative process. And it's our expectation the policies will be announced along the way and we will do that along the way.

As far as deciding on a year, we wanted to get the president's report out within year.

(Cross talk.)

Q Sylvia, let me just again ask you about this. If you find, as the president talks, that he doesn't build any consensus, will you then not put out policy?

I mean, is this idea that he has to build the support for it first, and if that isn't there, he won't do --

MS. MATHEWS: No, we will put out the policies that we believe are best.

Q (Off mike) -- and secondly, if I could, people who met with the president the other night said that he talked about looking at polling data that showed, you know, what American whites, you know, are ready for discussing. How much has this been polled by the White House or by DNC pollsters for the White House?

MS. MATHEWS: That's a question I'll have to defer.

Q (Off mike) -- I mean, you don't know?

MS. MATHEWS: In terms of how much -- I think, understanding some of the issues that -- in terms of do people think it is a problem and that sort of thing.

Q No, did you poll? Did you do polling? Or did Penn and Schoen or Greenberg do polling? Anyone?

MS. MATHEWS: The issue in question of do people consider this a problem --

Q No, the question is polling -- just did you --

MS. MATHEWS: Yes.

Q Yes.

MS. MATHEWS: I'm answering the question --

Q Yeah --

MS. MATHEWS: -- with the issue that we examined.

Q (Off mike) -- and can you say how extensively and how many weeks you were polling on this?

MS. MATHEWS: Not extensively.

Q Not extensively. MR. LOCKHART: (Off mike.)

MS. MATHEWS: We've built on other --

(Cross talk.)

MR. LOCKHART: Can I just for a second --

MS. MATHEWS: Yeah.

MS. ECHAVESTE (?): Mmm-hmm.

MR. LOCKHART: Okay. I mean, I don't have any more exact numbers, but in addition to our own, I mean, we -- Sylvia and a group were --

Q (Off mike) --

MR. LOCKHART: Yeah?

Q Joe, by "our own," who do you mean? You mean Penn and Schoen?

MR. LOCKHART: Oh, I'll get that answer for you.

Q Okay.

MR. LOCKHART: I mean, I don't know. But I know there was some look at sort of levels of perception and -- on the issue. But also there is a lot of information out there. Gallup is a very comprehensive -- and we've looked at that. They came in and talked to us about that --

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MS. MATHEWS: They came in and talked to us privately. There was a number of steps --

MR. LOCKHART: Yeah?

Q (Off mike) -- usual polling, or was that from some other source?

MR. LOCKHART: I'll find out.

Q Sylvia, why did it take seven months for the president to nominate an assistant attorney general for civil rights?

MS. MATHEWS: I think in selecting a person of the quality that we believe that we have, that we went through and examined a number of different candidates around the country to ensure that we got the best candidate. Additionally, I think you all know that the vetting process on our candidates is an important one that we like to do before we announce the candidates, and that took a while to do. Many people in this area -- when you look at this area, it's an area where people have a lot of writings. And in order for you to do that, you need to look and examine and understand what they've written and what they've said and what they think.

Q So basically what you're saying is you didn't want another Lani Guinier example?

Q (Laughs.)

MS. MATHEWS: I think that what I'm saying is we wanted to make sure that we had a candidate that we felt was the best candidate for the job and that we believed was a person who would represent our views.

Q Sylvia, could you flesh out some more on the task force? I mean, they're going meet regularly, or they're going all move here and work full time? And -- give me some examples of what they will actually do in a real-life basis.

MS. MATHEWS: Some examples of what types of things that the task force will do: They will, on a regular basis, communicate as a group with the executive director in helping scope the project in terms of work plans and the type of issues we need to focus on.

That's one type of activity they'll do.

Another one is they'll be participants in the president's activities abroad as he -- out in the country as he's doing outreach and doing things like town halls.

Q It's not a paid position that they're doing or --

MS. MATHEWS: No, no.

Q Okay. And they're not -- (inaudible) --

MS. MATHEWS: It is not a full -- it is neither a paid position nor a full-time position.

Q Is it right to think of them as like a board for the executive director and the staff --

MS. MATHEWS: They are the advisory board to the president, yes. That is correct, and that's why we've called them a board.

Q Okay. But not as a -- I mean, you -- earlier it was a task force -- I mean, they're like the board of directors would be for a college president or something like that. Is that a fair way of thinking about this?

MS. MATHEWS: Not being familiar with all that a college board of presidents do -- but yes, that's the general --

Q (They'll be there ?) for giving advice and so forth --

MS. MATHEWS: Yes.

Q They're not actually doing study, research --

MS. MATHEWS: They will not be doing the research. That's what -- the purpose of the staff.

Q You said you're making a statement by going to California. What statement are you making?

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MS. MATHEWS: We believe that going to California -- Maria, do you want to do this one?

MS. ECHAVESTE: Yup.

MS. MATHEWS: Go ahead.

MS. ECHAVESTE: Going to -- California, as everyone knows, is a place where -- sets trends. It is the state that has a very diverse population. It is the home of Proposition 187, Proposition 209, the UC regents. It is -- going to San Diego, generally thought of as wide conservative -- nonetheless, this campus happens to be among the most diverse of the UC -- is saying that we believe in taking this issue and in having a dialogue about it and finding ways to confront the problems facing us.

Q Right. But the question -- when you made the statement about making a statement by going to California, it was in the context of --

MS. ECHAVESTE: We believe it's bold to go to California, to a UC system, when Prop. 209 is an issue that is so relevant there.

Q So the statement is --

MS. ECHAVESTE: The statement is we want to be clear that the president is -- he's expressed his view on this issue, and we're going to continue to express our view on that issue -- on what he believes.

(Cross talk.)

Q So the statement is: "We're opposed to Prop. 209."

MS. ECHAVESTE: And we support --

(Cross talk.)

Q That's not bold. I mean, you've said that.

MR. LOCKHART: Let me -- it's broader than that. It's the -- this -- the year-long initiative is not going to shy away from the controversial issues. Now it's not going to deal with only broad, academic issues that don't -- that aren't relevant to the political dialogue that's going on now. And by going to California, we're going into the place where you have one of the most active discussions going on, within the California -- within the university system. And we're going in there, and we're to lay out what we plan to talk about for the next year.

We thought, you know, it was about the most relevant place you could go to give this. And I think there is a statement there.

MS. MATHEWS: And the future-oriented focus --

Q But will he speak directly to the question of --

MS. MATHEWS: The only other thing I would add is the future- oriented focus of the initiative, that the demographic changes that are occurring in the nation, California is a place that is on the front edge of that.

Q Will he speak directly to the question of affirmative action when he speaks in California on Saturday?

MS. MATHEWS: I'm sorry. Will he speak --?

Q Will he speak directly to the question of affirmative action when he speaks on Saturday in California? I mean, you've said that that's one reason he's going there. Is he actually going to talk about it?

MS. MATHEWS: It will be in the speech.

Q Can I follow up --

Q Maria, you just mentioned the campus having a good record. As I know you know, in the last two days there's been quite a lot of racial turmoil on that campus because the provost of Thurgood Marshall College has quit because they rejected his plan to reach out to disadvantaged, blacks and Hispanics. Does that embarrass you? Does that give you pause about picking that campus?

MS. ECHAVESTE: It highlights that in fact the answers to what do you do in

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light of a U.C. Regents or Proposition 209, or the (Huffwood ?) case? The one response that had been considered had been, have universities make partnerships with local high schools in order to educate and prepare them for the university systems, shows that U.C. San Diego's decision not to accept a charter high school, that those answers are not easy, but they definitely need to be considered. We don't -- shy about going there.

Q Given the president's problems with Lani Guinier, affirmative action -- the affirmative action review, the fact that his closest friends, like Marian Wright Edelman, practically walked out on him when he did welfare reform, what makes you think that the president can succeed at this race initiative? What makes him believe that he can actually do something?

MS. MATHEWS: First, I'd like to kind of go back to a little bit of the premise. On affirmative action, I think this president's stand on affirmative action, to stand up and say that he believes that "amended, not ended" for affirmative action is very important. I believe that our proposed rulemaking right now on procurement -- that is out for comment right now -- will be a very important part of preserving and narrowing, tailoring, as we've been advised by the courts to do.

So on that front.

In terms of the others that are around him and have been around him, if you look at our Cabinet and the people, from Rodney Slater to Alexis Herman to Federico Pena, that have been here, and there are many -- a number of others, that we have -- within the administration, we have a large group both in the Cabinet and here in the White House.

I think that we think that the president can succeed, I think, because he is dedicating himself to it personally.

And the other thing I would say is that there isn't a silver bullet. This isn't an easy problem. We recognize it and we recognize the difficulties that we're going to face in trying to do it. But we also believe that it is the time, at a time when the nation's in reasonable -- is economically health, and a time when we're on the verge of some big changes as far as our demographics, that we need to do this. And that's why we're doing it now.

Q Could you talk a little bit about the process of pulling down the list of possibilities for this panel? What was the criteria? And who were some of the people who signed off on these people, other than the president?

MS. MATHEWS: The process started with a very long list of, I'd say, probably about 250 names. And what we attempted to do was find people from different walks of life who could contribute both their ideas and the people that they communicate and have contact with. We wanted -- John Hope Franklin, as you all know, is 82, but Susan Cook (sp) is very young. We wanted to get a mix because part of the initiative will focus on youth. We wanted to get people from different backgrounds. Susan comes from a religious background, while Thomas comes from a business background. We tried to get a mix of people in terms of views and perspectives. Governor Winter (sp) is a southern governor. Governor Keane (sp) is from the north. And what we tried to do was get a balance of people that represented a number of different things so we could have a good mix of advice going in to the president.

Q And who did you run these names by? I mean, were they among the people who -- the people who met with the president the other night, did you run the names by them, or who exactly signed off?

MS. MATHEWS: Some of those people we consulted with early on with our names.

Q So did you consider people who were just simply opposed to affirmative action or government preference policies, or, I mean, does the president want people

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who already basically support his premises?

MS. MATHEWS: Those names were considered, but what we tried to do was put together a group that we feel could advise us on the policies and issues that we want to pursue.

(Q ?) Basically agree with the president.

Q (Off mike) -- having that board if you've already decided what you're going -- that you want these people to support what --

MS. MATHEWS: I think that what we're talking about when we talk about affirmative action is a pretty fundamental core, one of the policy areas that we'll be looking at. So in that area.

And actually, I think the truth is, we didn't ask that question, when we asked the members to serve. Do you --

Q Well, why not?

Q Whose question are you --

Q Why not?

Q -- answering here?

MS. MATHEWS: I'm answering the question of did we -- do we have people -- it is the question do we have people on -- do we have people on the board who support --

Q (Off mike) -- a full debate. I mean, did you take -- there are plenty of prominent people who have made clear they're opposed to affirmative action. I mean, did you seek out those kind of people, or was it clear that you want essentially people who basically agree with the president's approach to advise on more narrow questions, rather than the whole spectrum?

MS. MATHEWS: On the issue of Prop 209 and affirmative action, specifically: there were names on the list that are opposed to our position, that we originally put together. However, on that particular issue, we did not directly ask people do you support that, do you not support that.

Q But you ruled out the people you knew who were opposed. Is that correct?

MS. MATHEWS: This commission is more -- is not -- it's not a commission.

Q So, what's it based on?

MS. MATHEWS: It's an advisory board. You know, you're thinking of a commission --

Q You ruled out the people you knew were opposed. Isn't that correct?

MS. ECHAVESTE: I think we did not --

MS. MATHEWS: They're going to be a part of the dialogue. They will be a part of the dialogue. At this point -- at this point, all the people -- the people that are mainly vocal against affirmative action are not a part of the advisory board.

Q Did you consult with any people like that in the process? Can you identify any people that were consulted with?

MS. MATHEWS: I just don't have my list of names, but we did talk to people who thought that -- who had different views about how to deal with racism in this country, where the answer isn't in affirmative action, but economic opportunity, as a way of dealing with those issues. We did talk to people like that.

Q Sylvia, you are talking about healing the racial divide. What American are you specifically hoping to target, or to bring into the fold, with this whole initiative?

MS. MATHEWS: I think that it is our hope that the initiative will reach everyone. When we say race, we are referring to whites, Hispanics, blacks, Asian-Americans, and native Americans. We believe it's very important for whites in the country to be a part of the initiative.

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Q Are you looking more so to -- more (to ?) white people to understand that there is a problem, especially since you said earlier that the majority here in America is white?

MS. MATHEWS: We're looking for both. We're looking for both people of color, as well as whites, to look and examine the issue and see. That's part of why, in the study section, we talked about stereotypes versus reality; to understand which groups have a -- you know, we're going to look at which pieces are right and which are reality.

Q Is there a concern that the California affirmative-action action will spread through the country?

MS. MATHEWS (?): (Inaudible.) It's -- I mean --

Q -- that it's contagious?

MS. MATHEWS: Well, I wouldn't use the word "contagious." The fact is, is that a lot of people all over the country are saying that affirmative action is not needed; that, in fact, racism and discrimination is no longer a problem. So --

Q I mean, in the states and so forth, affecting the college preferences and --

MS. MATHEWS: Yeah, absolutely.

Q Can I try a question that I asked in a briefing, again? Is the president prepared to deal with the possibility that this full discussion, as often occurs in, say, in employment, in work places; that this could exacerbate racial problems at least in the short term? And what would he be willing to do about that?

MS. MATHEWS: I think that, as we discussed before, that the president is ready for a difficult discussion. I think, as was reported today and has been reported before, that sometimes people's efforts on this front do create strains and stresses. And I think we're ready for taking that on. I think we have already seen the advertising that's occurred, both in Washington and San Diego, which are signs. We are, as I have said, going to have critics from the left and the right. And that's because it is a very important issue that many people feel very passionately about. And we are already hearing that, and I think we are ready to take that. Q You said you talked to some people who disagree with the administration's position. Was Ward Connerly one of them? And what is your reaction to the fact that he -- while he is running these radio ads against the president, will be there at the commencement address Saturday.

MS. MATHEWS: He's a UC regent.

Q But is he somebody you talked to?

MS. MATHEWS: No, but he is --

Q What do you say to a lot of these civil-rights leaders who are very upset that they're not on this advisory board, like Jesse Jackson, Kweisi Mfume, people of that nature?

MS. MATHEWS: Part of the reaction we got when we were doing our outreach was the fact that a lot of people said: "Don't try to do a committee. Don't try to do a group. You'll never figure out who should be on it."

The fact is the president cannot take on this issue alone. And he is a, full-time president. And -- a small advisory group that can help guide and help us identify the key issues; what we should focus on, when we are traveling around the country, what is the way to go. And that was the decision that was made.

MS. : And we'll be consulting with those people. I think you all know Reverend Jackson was in last week, and Kweisi Mfume was in as well this week. So the effort is not limited to the advisory board.

Q (Inaudible) -- the fact that they deal with civil rights and issues like this on a daily basis --

MS. MATHEWS: And they have the expertise, and we will be working with them.

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Think of it as -- the way we think of it is a year-long process in which at different points in time, different groups of people will be convened, a conversation had, at which, certainly in the process here in the White House that we had, there was in fact different views around that table that was very enlightening and eye-opening.

Q Sylvia, does the president believe that the fundamental conclusion of the Kerner Commission is still accurate today; that there are two societies in this country -- one black, one white, separate and unequal?

MS. MATHEWS: I think that he would say that we have made some progress, but that there is still a long way to go. And I think the other thing that he would say is it's not a black and white; it's a black, white, Asian American; that it's a different -- in that sense, it's also different from Kerner, that it's not just two, it's a hundred. And that that's a part of why the initiative is so important at this time.

Q Was the Justice Department civil rights job -- did that -- did you make a concerted effort to get that filled prior to the announcement this weekend? Does that explain the timing of that?

MS. MATHEWS: We've been working on that for a while. We were pleased that we were able to announce it before we go to California.

Q Can you elaborate on just what the president's role is envisioned to be? You talk quite a bit about the board here. Is he going to be -- does he seem himself as a mediator, a conciliator, a moderator? What exactly is his ultimate role in this process?

MS. MATHEWS: I think the president will have a number of different roles. We will depend on his intellectual leadership as we go through our processes with the executive staff as well as the White House staff. He will be the person that will be on the line in terms of his events leading dialogue in different settings, such as town halls. He also will be the president speaking to these issues in terms of like how he will do in the speech in California, which are three different ways that the president will be involved and engaged in the process.

MR. LOCKHART: Can we just take a couple more and then --

Q But Sylvia, do you all have a sense yet of what kind of venues you're going to do the town halls in and when the first one will be?

MS. MATHEWS: No. We've had a number of requests that I think -- once we get -- we want to consult with the advisory board, as well as the executive director. We've had a number of requests from everyone from communities to news organizations.

Q When do you anticipate -- how long a time before you do the first town hall?

MS. MATHEWS: I think that will be dependent on the president's schedule.

Q Is there some core set of beliefs that the president has at this point that he will just want to do, that he thinks is right and that maybe he wants the advisory board to help him find a way to implement it? But coming into this -- and if so, can you tell us what the core set of beliefs he has and in terms -- are they, I mean, very specifically, something that should be a piece of legislation, something that could be remedied by one way or the other, but you know, where is his ferment here going into this?

MS. MATHEWS: I think sort of two different answers to that question --

MS. ECHAVESTE (?): Speech.

(Laughter among staff.)

MS. MATHEWS: We'll let Mr. McCurry -- that will come out in the speech. Right. We'll let --

Q Thank you.

MS. MATHEWS: Thank you.

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MR. LOCKHART: Can I just say one thing quickly? The Little Rock Central High visit is September 25th.

END

LANGUAGE: ENGLISH

LOAD-DATE: June 13, 1997

LEVEL 1 - 99 OF 133 STORIES

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June 5, 1997, Thursday, Late Edition - Final

SECTION: Section A; Page 1; Column 4; National Desk

LENGTH: 1011 words

HEADLINE: G.O.P. BACKING OFF A DEAL TO RESTORE AID TO IMMIGRANTS

BYLINE: By ROBERT PEAR

DATELINE: WASHINGTON, June 4

BODY:

House Republicans today backed away from their commitment to restore Federal aid for certain legal immigrants, prompting the Clinton Administration to complain that the Republicans were violating the bipartisan budget agreement reached just five weeks ago.

In addition, a proposal announced today by House Republicans would override a recent White House ruling that state governments must pay the minimum wage to welfare recipients participating in workfare programs.

Administration officials denounced both proposals, which the Republicans have added to a comprehensive bill intended to balance the Federal budget.

Vice President Al Gore said the proposals on immigrants were "harsh, unfair and unnecessary." Moreover, he said, "they violate the terms of the bipartisan budget agreement by failing to restore a minimal safety net" for legal immigrants who have not become citizens. Mr. Gore said the proposals "would cut off 100,000 severely disabled immigrants who would receive benefits under the budget agreement."

The agreement, reached on May 2, was a framework for legislation to balance the budget. Republicans are now filling in the details, and they said today that they did not feel obliged to accept every item in the agreement.

Representative Sander M. Levin of Michigan, the ranking Democrat on the House Ways and Means subcommittee that writes welfare legislation, said the proposals on immigrants "clearly violate the budget agreement." Accordingly, he said, "this bill is heading toward confrontation instead of bipartisan accord."

Representative E. Clay Shaw Jr. of Florida, the chief author of the 1996 welfare law, said the Republicans were improving the budget agreement, by guaranteeing benefits for certain elderly immigrants rather than for those who become disabled.

The Republicans are playing with political fire in restricting benefits for legal immigrants. Their proposals have proved unpopular in parts of Florida, Texas and other states with many immigrants. And the party itself is divided, with some Republicans like Mayor Rudolph W. Giuliani of New York urging Congress to restore aid to legal immigrants.

The New York Times, June 5, 1997

After learning of the new proposal by Congressional Republicans, Colleen A. Roche, a spokeswoman for Mayor Giuliani, said, "The proponents of this change should be ashamed of themselves for trying to play off the elderly against the disabled." Lobbyists for the elderly echoed that comment.

Supporters of legal immigration, including Hispanic groups, Jewish organizations and Roman Catholic bishops, criticized the Republican proposals as a retreat from the budget agreement.

The Republicans' welfare proposals are much more contentious than their Medicare proposals, which were unanimously approved tonight by the Ways and Means Subcommittee on Health.

The welfare law signed by Mr. Clinton on Aug. 22, 1996, cut off many Federal benefits for noncitizens. Restoring some of those benefits is a top priority for the President.

The Congressional Budget Office estimates that 500,000 legal immigrants will lose Supplemental Security Income benefits this summer because of the law. The program, for the indigent elderly and the disabled, pays a maximum of \$484 a month for an individual and \$726 a month for a couple.

The budget agreement, negotiated by Mr. Clinton and Congressional Republican leaders, explicitly promised to "restore Supplemental Security Income and Medicaid eligibility for all disabled legal immigrants who are or become disabled and who entered the United States prior to Aug. 23, 1996."

The new Republican bill would restore benefits only for those who were actually receiving benefits on Aug. 22, not for those who were in the United States then and later become disabled.

Many immigrants have relatives or other "sponsors" in the United States who agreed to support them. Under today's Republican proposal, an immigrant could not receive Supplemental Security Income payments if the sponsor's income was more than 50 percent above the official poverty level. A family of three would meet this test if it had income exceeding \$18,775 a year.

Republicans said they assumed that such a family could take full financial responsibility for a disabled immigrant. Vice President Gore said that the assumption was unwarranted.

When Mr. Clinton signed the welfare bill, he said he would fight to restore benefits for legal immigrants. Republicans like Mr. Shaw contend that the budget agreement went too far. "Supplemental Security Income has become a pension plan for third-world countries," Mr. Shaw said today.

Mr. Shaw also said that Republicans never intended for the minimum wage to apply to workfare participants.

Workfare programs require welfare recipients to work in return for their benefits. Governors of both parties said that any requirement for them to pay the minimum wage would vastly increase the cost of their work programs.

The Republicans' new proposal says that welfare recipients working for a public agency or a nonprofit organization shall not be considered employees

The New York Times, June 5, 1997

for purposes of the Fair Labor Standards Act or any other Federal law. The minimum wage -- now \$4.75 an hour, rising to \$5.15 on Sept. 1 -- is part of the labor standards law.

The Republican proposal says that states may count welfare, food stamps, Medicaid, child care and housing subsidies as income for people in workfare programs. States divide the amount of such income by the minimum wage to determine the number of hours that a person may be required to work for a public agency or a nonprofit organization.

It is easier for states to meet the law's work requirements if they can count government benefits as income. But Elena Kagan, the President's deputy assistant for domestic policy, said: "The Administration strongly opposes these provisions. They are clearly outside the scope of the budget agreement. They violate the principle that workfare participants, like other workers, should get the benefit of the minimum wage and other worker-protection laws."

LANGUAGE: ENGLISH

LOAD-DATE: June 5, 1997

LEVEL 1 - 100 OF 133 STORIES

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Reuters North American Wire

March 8, 1997, Saturday, BC cycle

LENGTH: 576 words

HEADLINE: Clinton says government will hire some off welfare

BYLINE: By Steve Holland

DATELINE: WASHINGTON

BODY:

President Clinton said Saturday the federal government will hire some people off the welfare rolls to entry-level jobs to set an example in a national drive to find work for America's downtrodden.

In his weekly radio address, Clinton directed heads of agencies and departments to prepare detailed plans for hiring welfare recipients. He said the plans should be ready for presentation at a special Cabinet meeting in one month.

He said Vice President Al Gore would oversee the effort.

Under a welfare law Clinton signed in August, able-bodied people on welfare must find jobs in two years. Clinton's goal is to move 2 million from welfare to work in four years. He wants the private sector to hire the most, along with non-profit organizations and religious groups.

But he said the national government, as the country's largest employer, "must do its part and set an example."

"So today I am committing a national government action plan to hire people off welfare," he said.

A White House domestic policy adviser, Elena Kagan, said the jobs in mind earn about \$ 12,500 a year and include low-skilled positions such as clerks, messengers and forestry jobs. Most would be outside of Washington, D.C.

She said there was no specific number of people the federal government would hire, but said agencies and departments may offer target numbers in the hiring plans they submit to the president.

Agencies are to operate under the federal Worker-Trainee Program in order to train people quickly and put them to work. Officials said it is an underused program, with only 120 people hired under it in the 1996 budget year.

Experts said the initiative could give rise to some problems because those doing the hiring would have to put welfare recipients ahead of people with perhaps more job experience in the competition for what are generally considered to be good-paying jobs.

"It's tricky," said Gary Burtless, a welfare expert at the Brookings Institution. "On the one hand, in many of these positions, welfare recipients

Reuters North American Wire, March 8, 1997

do have a clear shot at doing a fine job in the position."

"The problem is we also are a society that prizes equity and fairness in hiring," he said. "Probably most people feel that if you have five applicants, the fairest way to pick them is to pick the one who is the best. You don't want to go to the back of the line, pick that person and put them at the front of the line."

Clinton said the government would act in "the way we want all employers to act- demanding high performance from workers, but going the extra mile to offer opportunity to those who have been on welfare and want to do something more with their lives."

He said agencies and departments should identify what jobs welfare recipients would fill, how to recruit them and how to ensure they work hard and earn a chance at career status if they perform well for three years.

He said 2.6 million people were moved off welfare rolls to jobs in the last four years, but the task ahead will be tougher.

"Frankly, we must recognize that many of these people will be harder to reach and will need more help than those who moved off the rolls in the past four years," he said.

Clinton also asked agencies to explore and report on ways to help low-income federal employees gain access to help already available such as the Earned-Income Tax Credit, which is available to individuals with incomes up to \$ 25,760 and have at least one child living at home.

LANGUAGE: ENGLISH

LOAD-DATE: March 09, 1997

LEVEL 1 - 103 OF 133 STORIES

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March 01, 1997, Saturday, Final Edition

SECTION: A SECTION; Pg. A07

LENGTH: 704 words

HEADLINE: Clinton Seeking Ways for Government To Put Welfare Recipients on Payroll

BYLINE: Stephen Barr, Washington Post Staff Writer

BODY:

President Clinton, who has frequently urged business leaders to employ welfare recipients, is himself looking for ways that the administration might do some hiring off the welfare rolls.

Because of normal work force turnover and the need for extra hands during the summer, the government hires thousands of forestry and park laborers, mail and file clerks, equipment operators and health care aides each year. Administration officials say Clinton is exploring whether any of those jobs could be filled by people on welfare.

The White House is also considering having federal offices around the country reach out to persons losing welfare benefits under the reform law passed by Congress last year. Agencies, for example, could help provide day care and transportation for such workers, the officials said.

Elena Kagan, deputy assistant to the president for domestic policy, said the president has not made a decision. "There are questions about how to do this," she said. "When it comes to the government and governing hiring, there are lots of rules and regulations and complexities. Part of the challenge is finding your way through those, [so] that really achieves the goal to hire welfare recipients.

She added, "It's not an easy undertaking, but the president is committed to doing it and will do it."

In theory, anyway, the federal government could make a significant contribution since it is one of the largest employers in the country. The task of making federal workers out of welfare recipients would also present a huge challenge, however.

The government hired about 200,000 workers in fiscal 1996, but 71 percent of those were for temporary jobs. Some of these positions lead to permanent civil service positions, but the White House will likely have to assess whether such part-time or seasonal work would provide sufficient income for welfare recipients.

The White House also may have to allay concerns that the government would be creating a "jobs program" that favored welfare recipients. Kagan disputed that suggestion, saying, "I don't think we see political sensitivity in asking government to do what the president is asking the private sector to do."

The Washington Post, March 01, 1997

White House domestic policy adviser Bruce Reed and Office of Personnel Management Director James B. King are studying a set of options to present Clinton.

One option would expand the government's "worker-trainee" program, started in 1968. The program allows agencies to quickly and easily hire low-skilled persons into jobs that provide training and development. After three years, the trainees can be converted to regular, career civil service status.

Welfare recipients also could be hired under the government's Federal Student Educational Employment Program, which provides career-related work experiences that may lead to permanent federal jobs. The program was designed to attract high school and vocational students into the government. Wages range from \$ 13,000 to \$ 17,000 a year, with some agencies providing tuition assistance to the students.

A third option under review by Reed and King calls for the creation of a new hiring program so that welfare recipients would get jobs without competing against other civil service applicants.

To ease commuting woes, officials said, welfare recipients could also be allowed to take part in the government's Fare Subsidy Program, which allows agencies to subsidize the transportation costs of employees. The government, through the General Services Administration, operates day-care centers, a program that also might be expanded to include welfare mothers.

Federal agencies have cut staffing by about 250,000 workers since Clinton took office, as part of the administration's effort to downsize government. A number of agencies also face shrinking budgets in future years, a prospect that may complicate the hiring or replacement of full- and part-time workers.

Agencies will probably need extra money from Congress to train welfare recipients, said Robert M. Tobias, president of the National Treasury Employees Union. "Right now, the federal government is in a very difficult position in providing the necessary training to current employees," he said.

LANGUAGE: ENGLISH

LOAD-DATE: March 01, 1997

LEVEL 1 - 122 OF 133 STORIES

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Fulton County Daily Report

May 20, 1996, Monday

LENGTH: 1640 words

HEADLINE: Three-Way Race Shapes Up to Fill DOJ Post;
Crucial Election-Year Decisions May Await New Head of Office of Legal Counsel

BYLINE: CHARLES FINNIE; American Lawyer News Service.

BODY:

WASHINGTON A three-way, behind-the-scenes contest has broken out to head the Justice Department's influential Office of Legal Counsel where legal judgments critical to the Clinton administration could be made this election year.

According to Justice Department and White House officials, the leading candidates to succeed Walter Dellinger are top antitrust Deputy Assistant Attorney General Joel Klein, Associate Deputy Attorney General Seth Waxman, and George Washington University law Professor Beth Nolan.

An associate White House counsel, Elena Kagan, has also received close attention, but no longer is considered in the first tier, one top Justice Department official says.

The person chosen by President Bill Clinton and Attorney General Janet Reno is likely to take over from Office of Legal Counsel Assistant Attorney General Dellinger before July, when Dellinger becomes acting solicitor general.

"The president and the White House relied a lot on Walter's office," says one top Justice Department lawyer, who requests anonymity. "There's a desire to have somebody succeed him with the same stature and confidence."

The Office of Legal Counsel (OLC) provides often sensitive legal guidance to the Justice Department, to the White House, and to the executive agencies on new policy initiatives. The office also formulates the department's response to key Supreme Court rulings and major legislation.

In the next few months, the new legal counsel may face several politically charged issues. Among them: assessing the legal implications of congressional proposals to curb affirmative action on the federal level and responding to congressional demands for White House documents in the travel office investigation.

Under both Republican and Democratic administrations, the office has been open to charges of partisanship of allowing a president's policies to drive its opinions.

Dellinger, widely respected by Democrats and Republicans and generally liked because of his engaging sense of humor, has not been immune to the criticism. His successor will face similar on-the-job scrutiny.

Fulton County Daily Report, May 20, 1996

"It's important for the department to step to the plate to defend the constitutional prerogatives of Congress, as well as the White House," says Republican lawyer Michael Carvin.

The temptation to hew to the president's political agenda is always there, says Carvin, who was a deputy assistant attorney general for legal counsel in Ronald Reagan's first administration. Now a partner at Washington, D.C.'s Shaw, Pittman, Potts & Trowbridge, Carvin notes that the kind of issue that could put the next legal counsel on the hot seat arose earlier this month when Rep. William Clinger Jr. (R-Pa.) clashed with White House Counsel John "Jack" Quinn over the administration's failure to turn over subpoenaed documents.

Clinger's House panel investigating the 1993 White House travel office firings voted to hold the White House in contempt of Congress, after negotiations over release of the documents broke down and Quinn said that the White House would claim executive privilege.

Carvin says the policy decision to invoke that privilege would be made by the president and Quinn, but the Office of Legal Counsel probably would be called on to provide a legal rationale.

The contenders either did not return telephone calls or declined to comment for this article.

Klein, the principal deputy assistant attorney general for antitrust matters, has the closest political ties to the president. According to a top administration official, Klein also has Vice President Albert Gore Jr.'s endorsement to succeed Dellinger.

Before joining the Antitrust Division a year ago, Klein served as deputy counsel to the president under the three former White House counsel Bernard Nussbaum, Lloyd Cutler, and Abner Mikva.

In 1992, Klein performed legal work for the Clinton-Gore campaign. Until then, however, he was best known in Washington for being one of the founders of Onek, Klein & Farr, a firm that during its heyday was considered the city's premier Supreme Court litigation boutique.

Despite Klein's heavyweight credentials and the vice president's support, he is not considered a shoo-in to succeed Dellinger, says one top administration official.

Having served as the second-ranking lawyer in the White House counsel's office for two years, "he had his share of battles," says the official, speaking on condition of anonymity.

Waxman, formerly a partner at Miller, Cassidy, Larroca & Lewin, joined the Justice Department after his former law partner, Jamie Gorelick, was named deputy attorney general, the department's second in command.

He is Gorelick's point man on immigration affairs and by extension on the administration's high-profile Southwest border initiative to beef up immigration and drug-law enforcement.

Fulton County Daily Report, May 20, 1996

An expert on capital-defense appeals from his days in private practice, Waxman also reviews trial court rulings for possible appeal in the department's criminal and civil cases.

Nolan, a George Washington University Law School legal ethics scholar, served as associate White House counsel under Klein, who, as deputy counsel, was the second-ranking lawyer.

A top administration official says that Nolan has support from within the current White House counsel's office but Quinn, its top lawyer, is trying to remain neutral.

Although Nolan is considered well-qualified for the post, one high-ranking Justice Department official says it would be "extraordinary" to pass over Klein or Waxman and reach outside the administration for Dellinger's replacement.

White House associate counsel Kagan, at 36, is the youngest among those given serious consideration for the post. She is backed by Sen. Joseph Biden Jr. of Delaware, the Senate Judiciary Committee's ranking Democrat. A former University of Chicago law professor, Kagan worked for Biden in 1993, when he chaired the panel.

She is also a former litigation associate at Williams & Connolly, the Washington law firm that represents the president and first lady Hillary Rodham Clinton in the couple's Whitewater-related legal matters.

The next head of OLC, whoever it is, will find it hard to match Dellinger's stellar reputation in liberal legal circles, where his intellect and wit were much ad-

mired. His shoes will be hard to fill, say top Justice Department officials.

"I frankly cannot imagine a better tenure," Gorelick says. "He is brilliant, funny, and a consensus builder. His force of intellect and grasp of the practical context are unmatched."

On the other hand, Dellinger was sometimes criticized for trimming to the political winds.

One critic, a former Republican OLC lawyer who requests anonymity, says that Dellinger's handling of some matters had a "politically perfunctory" quality.

The lawyer cites Dellinger's opinion challenging a short-lived legislative requirement that members of the U.S. armed forces who test positive for the AIDS virus be discharged.

This lawyer says that Dellinger tried to have it both ways on the rule and on an early administration policy on removing openly gay people from the armed services.

Dellinger found no "rational basis" for the statute barring HIV-positive soldiers, although the administration claimed its controversial "Don't Ask, Don't Tell" policy that excludes many gay people from the service passed the test of rationality.

Other Republicans fault Dellin-

ger's work on a Clinton executive order banning federal contracts with firms that use replacement workers. The order was rejected by the U.S. Court of Ap-

peals for the District of Columbia.

Dellinger's Capitol Hill testimony that a proposed balanced-budget constitutional amendment is legally unenforceable also raised eyebrows. Dellinger was unavailable for comment.

Because the OLC chief often works at the intersection of law and partisan politics, the choice of Dellinger's successor will be watched closely in political as well as legal circles.

For two of the candidates, Klein and Nolan, their association with one of the most controversial legal figures of the Clinton administration, Bernard Nussbaum, could make their selection particularly sensitive.

No administration lawyer has drawn more Republican fire than Nussbaum, President Clinton's first White House counsel.

Continuing GOP suspicions of his conduct may diminish the chances of Klein or Nolan, both of whom worked under Nussbaum.

But under the administration's plans for filling the OLC post, the new occupant will not require Senate confirmation, which serves to mute concern about a GOP assault on the eventual selection.

No confirmation hearing is required because Dellinger who is replacing the outgoing solicitor general, Drew Days III, in an "acting" capacity will technically retain his present title of OLC assistant attorney general.

The same circumstances mean Dellinger would not require confirmation for his new administration role, either.

If service under Nussbaum is viewed with disfavor, it may be that Nolan is inoculated from potential partisan sniping, while Klein is not.

Before first joining the GW faculty, Nolan, a Democrat, served from 1981 to 1985 as an OLC deputy assistant attorney general under Theodore Olson, a Republican.

Her principal responsibility: Interpreting the government's conflict of interest statutes.

"She would be wonderful," says Olson, a partner in the D.C. office of Los Angeles' Gibson, Dunn & Crutcher. "She's very intelligent, extremely conscientious. I have the greatest respect for her integrity. I can't think of anyone I would endorse more enthusiastically."

One top Justice Department lawyer says one unlikely alternative to selection of any of the candidates would be to elevate one of the current crop of OLC deputies.

M2 PRESSWIRE February 18, 1998

input and we think finds wide acceptance.

There's a second document you need to know about: The National Drug Control Strategy Budget Summary. This is the '99 document, but it has also got a five-year projection for the first time in our history. Frank Raines and I worked with each of the Cabinet Secretaries over the last six months in particular, and hammered out a drug budget which went to the Hill

- the President sent this over to the Hill a couple weeks ago - that is \$17.1 billion. It was \$16 billion last year. It was \$15.4 billion the year before that. The bottom line has increased significantly in each of those budget years, and the '99 budget continues it. There has been a disproportionate investment of new money in the prevention of drug use by young Americans and in the treatment of drug addiction among the 4 million chronically addicted.

And then, finally, this budget I think is pretty significant, starts to effectively link the drug treatment community and the criminal justice community. So there's a lot of information in here about how Janet Reno will try and use a drug court system and something called "breaking the cycle," which is a step beyond drug court, which is really a diversion program, first-time offender, non-violent offender. And now we're getting into a concept we tested last year - the President now funded it - which was mandatory drug test for arrestees, followed by mandatory treatment both in prison and follow-on.

And I'd be glad to respond to your questions. But this budget is a 6.8-percent increase over last year and is a 15-percent increase in those programs aimed at young Americans. So inexorably, the resources are starting to come into line with a front-loaded strategy based on prevention and treatment linked to criminal justice.

Here's a new document. We won't have it printed. It's interagency approved. We've given you the cover sheet and the outline. It's called the Performance Measures of Effectiveness. The President will talk about this in his radio address tomorrow. It's a 141-page document. It's the first time we've done it. It attempts to set out for this strategy and for long-term budgeting where we say we're going. And so what you'll find if you look at the summary I gave you is 12 outcome targets that we say we're going to try and achieve over the next 10 years. We've broken it down into halfway mark, five-year targets.

And then in the coming year, what we've told - Frank Raines and I and Erskine Bowles have told the interagency, you must now in the coming year create annual targets to get at the end of 10 years to a reduction of drug abuse among the American population, down to 3 percent from it's current 6 percent. If we can get to 3 percent, we will have achieved the lowest rates of drug abuse in our society in our modern recorded history.

We think these performance measures of effectiveness are coherent. There are 82 subordinate targets, so if you're in a state or local government, if you're a private association, if you're a foreign government or if you're a federal agency, you can see what is it your effort supposedly is going to be held accountable for, where are we trying to go.

Finally, I think all of you have in there two documents. One is a summary of the strategy. It's an outline that I'm putting on the fax at 10:00 a.m. tomorrow. And the second document, we tried to bring together a compilation of